

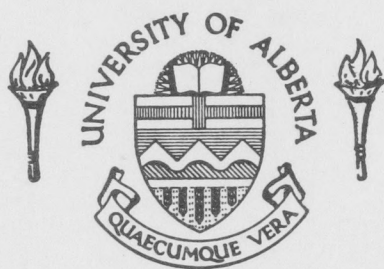
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SIXTH ANNUAL REPORT

OF THE

Department of Mines and Minerals

OF THE

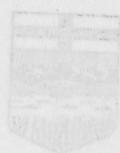
PROVINCE OF ALBERTA

FOR THE

**Fiscal Year Ended March 31st
1955**

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY

EDMONTON
PRINTED BY A. SHNITKA, QUEEN'S PRINTER
1956



SIXTH ANNUAL REPORT
OF THE
Department of
Mines and Minerals
OF THE
PROVINCE OF ALBERTA
FOR THE
Fiscal Year Ended March 31st
1925

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY

EDMONTON
PRINTED BY A. SMITH, QUEEN'S PRINTER

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OF ALBERTA LIBRARY

To the Honourable J. J. Bowlen,
Lieutenant Governor of the Province of Alberta.

SIR:

I have the honour to submit the Report of the Department of Mines and Minerals for the fiscal year ended March 31st, 1955.

I have the honour to be, Sir,

Your obedient servant,

ERNEST C. MANNING,
Minister of Mines and Minerals.

Edmonton, November 1st, 1955.

2227121

CHIEF OFFICERS, DEPARTMENT OF MINES AND MINERALS

March 31st, 1966

Mr. Ernest C. Manning Minister
 H. B. Somerville Deputy Minister
 W. A. Macdonald Secretary
 C. W. Jackson Statistician
 M. E. Nollabauer Administrative Accountant and
 Personnel Officer

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CHIEF OFFICERS,
DEPARTMENT OF MINES AND MINERALS

March 31st, 1955

Hon. Ernest C. Manning	<i>Minister</i>
H. H. Somerville	<i>Deputy Minister</i>
N. A. Macleod	<i>Solicitor</i>
C. W. Jackman	<i>Statistician</i>
W. E. Shillabeer	<i>Administrative Accountant and Personnel Officer</i>

MINERAL RIGHTS DIVISION

J. W. Patrick	<i>Director</i>
R. A. Seaton	<i>Assistant Director</i>
D. F. Morrison	<i>Supervisor of Leases and Mining Recorder, Edmonton District</i>
A. Z. Choquette	<i>Mining Recorder, Calgary District</i>
A. E. Kynnersley	<i>Supervisor of Revenue</i>

MINES DIVISION

J. A. Dutton	<i>Director</i>
J. Horne	<i>Assistant Director</i>

MINERAL TAXATION DIVISION

E. F. Gilker	<i>Superintendent of Mineral Tax and Chief Assessor</i>
W. McGeachie	<i>Assessor, Northern District</i>
V. L. Scott	<i>Assistant Superintendent of Mineral Tax</i>

TECHNICAL DIVISION

H. B. Grove	<i>Superintendent</i>
J. M. Novak	<i>Chief Draughtsman</i>

GEOLOGICAL DIVISION

J. R. Pow	<i>Chief Geologist</i>
-----------------	------------------------

RIGHT OF ENTRY ARBITRATION ACT
BOARD OF ARBITRATORS

N. G. Meldrum	<i>Chairman</i>
P. J. Skrypnyk	<i>Member</i>
T. E. Stickney	<i>Member</i>
A. E. Fahlman	<i>Secretary</i>

SIXTH ANNUAL REPORT

of the

Department of Mines and Minerals

HONOURABLE ERNEST C. MANNING,

Minister of Mines and Minerals,

Edmonton, Alberta.

Sir:

I have the honour to present the Annual Report of The Department of Mines and Minerals for the fiscal year ending March 31st, 1955.

During the year unfavourable climatic conditions continued to retard exploration for oil and natural gas with a resulting decrease in drilling footage and well completions.

Revenue also declined from the previous year. The surplus on income account was \$81,784,637.88, compared with \$97,422,298.01 in the previous fiscal year.

Although the season in which crews could operate beyond the settled areas of the province was much shorter than average, several significant discoveries were made at wildcat wells. The first discovery of oil in commercial quantities north of the Peace River was made in the Clear Hills. This discovery has led to renewed interest in exploration of the northwest corner of the province.

North of Calgary and west of Olds several successful exploratory wells spread over a considerable area have led to the discovery of a possible major crude reservoir. High in the Rockies southwest of Turner Valley a substantial natural gas discovery was made by the Savana Creek well. This is the first discovery of either oil or natural gas in the Canadian Rockies.

There was a reduction in development drilling due principally to the inaccessibility of proven acreage in the Pembina field. With the exception of Joffre development, drilling in the more readily accessible light oil fields of the province was completed.

New wet gas processing plants were opened at Big Valley, Acheson and Bonnie Glen. The Bonnie Glen plant processes gas from Wizard Lake, Glen Park and Bonnie Glen fields. The gas processing plant at Jumping Pound was enlarged with a consequent increase in sulphur production capacity. A pipeline connecting the Pembina field to Edmonton was built during the year.

The continued increase in the use of natural gas, propane and fuel oil as fuels and another mild winter led to a further decrease in the use of coal.

Legislation

Legislation passed at the first session of the Legislative Assembly in 1955 included two new Acts to be administered by the Department and amendments to The Mines and Minerals Act and The Oil and Gas Resources Conservation Act, 1950.

A new section 24a was added to the Mines and Minerals Act to resolve uncertainties as to the ownership of minerals that arose from exceptions in letters patent of lands for road purposes. Section 24b is new. It provides a means whereby minerals in roadways expropriated by the Crown many years ago may be sold to the adjacent mineral owner.

Sections dealing with royalty returns by lessees of coal-mining leases and petroleum and natural gas leases were amended so as to enable an agent of the lessee authorized in writing to make the royalty statements. Section 256 was amended so as to permit the lessee of petroleum and natural gas rights to surrender a part of the lease on which he otherwise would have to drill an offset well. The new section 288a authorizes regulations to be established to provide for the registration of documents affecting agreements. Section 288b was added for the purpose of permitting banks to register assignments given under section 82 of the Bank Act.

Certain sections of The Oil and Gas Resources Conservation Act, 1950, were amended. Section 20 was amended by adding a new subsection which enables the Minister to cancel or suspend a well license if the licensee cannot show that he is entitled to the right to produce oil or gas for which the well was drilled. Section 52 dealing with assessment and taxation of oil and gas property was amended so that the amount of rental payable by the person reporting need not be included and allowing the appointment of an agent to report where several persons are interested in one property.

Because the offset requirements in freehold leases were usually based upon one well to a legal subdivision some offset provisions were rendered inoperative where well spacing was increased to one well to eighty acres or to a quarter-section, the new section 82a provides that for determining whether an offset well is required, the producing well shall be deemed to be in that part of the spacing unit where its presence would give rise to the obligation to drill the offset well.

The Bituminous Sands Act was passed because of the increasing exploration of the bituminous sands resources within the Province which had reached a point where some of the statutes of more general application needed modification in their application to meet the requirements of bituminous sands development operations. Section 2 of the new Act makes it clear that

The Oil and Gas Resources Conservation Act, 1950, does not apply to such operations when the sands are recovered by surface excavation. Section 3 makes it clear that provisions of The Pipe Line Act will apply to pipe lines for the liquid products of bituminous sands. Provision is also made so an oil pipe line that is a common carrier may be required to carry oil products of bituminous sands as well as oil differing therefrom chiefly in the manner in which it was recovered from the ground. Part II of the Act adds provisions to The Mines and Minerals Act. Section 4 of this Part interprets "bituminous sands" and "bituminous sands rights". Section 5 deals with the making of regulations governing the disposition of bituminous sands rights, the property of the Crown, and section 6 deals with the powers of the Minister.

The Coal Mines Regulation Act, 1955, is a new Act which repeals and replaces chapter 8 of the Statutes of Alberta, 1945. This Act deals in detail with the day to day operation of coal mines in the Province and does not differ in principle from the former Act in any but the most minute details. It is essentially a revision which has been made to modernize the wording and rules and to set out the provisions in a form whereby the persons concerned in the matter of the Act can observe its directives more easily.

A separate report is issued yearly by the Mines Division and may be obtained by contacting the Mines Division of this Department in the Provincial Building, Edmonton.

Detailed reports of the other divisions follow.

All of which is respectfully submitted.

H. H. SOMERVILLE,
Deputy Minister.

November 1, 1955.

Mineral Rights Administration

Report of Director of Mineral Rights

J. W. Patrick

During this the sixth year of administration by the Department of Mines and Minerals the development of the mineral resources of the Province continued at a satisfactory rate.

Footage drilled for petroleum and natural gas during 1954 was 5,674,759 feet. This was a decrease of 748,130 feet from 1953 and was mainly caused by the excessive rains during the summer of 1954. The production of crude oil increased to 87,713,855 barrels exceeding the production of 1953 by 10,897,472 barrels. There were eleven new fields discovered and the average daily rate of production possible increased to 365,000 barrels at December of 1954. Because of inadequate markets the average daily oil produced during the year was only 240,312 barrels, an increase of fourteen per cent over the previous year. The number of producing oil wells increased from 4,504 to 5,070.

Production of coal in Alberta in 1954 decreased by 1,058,287 tons. This decline in coal production is again chiefly attributable to the loss of markets by the increase in the use of alternate fuels.

The production and value of Alberta's chief minerals for 1954 were crude oil, 87,713,855 barrels valued at \$227,877,548.00; coal, 4,859,136 tons, valued at \$26,349,275.00; natural gas,* 95,699,256 Mcf., valued at \$4,784,962.80; and salt, 29,347 tons, valued at \$1,051,537.00.

Mineral rights, solid, liquid and gaseous, the property of the Crown in the right of the Province, are not sold, but are disposed of by lease, reservation, license, permit or other agreement for limited periods of time. Revenue is obtained from fees, rentals, bonuses, royalties, sales of leases and other miscellaneous charges. During the fiscal year these sources provided a revenue of \$81,369,507.39 being a decrease of \$15,783,928.11 from the previous year. Sales of leases and reservations in Crown reserves were held on three occasions in the fiscal year and the revenue from this source decreased 24 million dollars.

The Province is divided into two mining districts: the Edmonton district comprises that portion of the Province lying to the north of the north boundary of Township 42 and the balance of the Province lying to the south is contained in the Calgary district.

During the year 3,134 applications for mineral rights were filed at the offices of the Mining Recorders in Edmonton and Calgary and at the office of the Department in Edmonton. Numerous inquiries were made as to the availability of mineral rights, mostly for petroleum and natural gas leases and reservations by personal application and by correspondence.

*Includes only marketed and consumed gas.

Particulars of leases, reservations, Crown reserve drilling reservations, natural gas licenses and Crown reserve natural gas licenses are contained in the following tabulations:

MINERAL RIGHTS LEASES

Type of Lease	Active at April 1, 1954	Issued	Reinstated	Divided	Cancelled	Renewed	Active at March 31, 1955
Petroleum and Natural Gas	23,583	2,783	162	291	3,506	30	23,283
Natural Gas	35	181	.....	1	39	.....	178
Coal	573	23	1	.....	41	14	542
Road Allowance Coal	127	11	.....	.....	2	2	134
Quarrying	26	11	.....	.....	3	2	32
Salt	2	.....	.....	.....	.....	.....	2
Bituminous Sands	1	.....	.....	.....	.....	.....	1
Miscellaneous	3	.....	.....	.....	.....	.....	3
TOTAL	24,350	3,009	163	292	3,591	48	24,175

ACREAGE CONTAINED IN ABOVE LEASES

Type of Lease	Active at April 1, 1954	Issued	Reinstated	Cancelled	Renewed	Active at March 31, 1955
Petroleum and						
Natural Gas	19,031,837	2,803,444	73,310	4,534,381	5,612	17,368,598
Natural Gas	287,868	700,389	.....	23,802	.....	964,455
Coal	153,660	5,940	322	7,278	4,866	147,778
Quarrying	2,573	2,413	.....	91	78	4,817
Salt	1,204	.....	.....	.....	.....	1,204
Bituminous Sands	3,898	.....	.....	.....	.....	3,898
Miscellaneous	3,614	.....	.....	.....	.....	3,614
TOTAL	19,484,654	3,512,186	73,632	4,565,552	10,556	18,494,364

STATEMENT OF BUSINESS TRANSACTED, 1954-1955

PETROLEUM AND NATURAL GAS

	Number	Acres
Leases Issued	2,783	2,803,444
Leases cancelled and relinquished	3,506	4,534,381
Leases reinstated	162	73,310
Prospecting reservations granted	328	14,847,678
Prospecting reservations terminated	108	5,051,373
Crown reserve drilling reservations granted	56	312,802
Crown reserve drilling reservations terminated	1	6,400
Natural gas licenses issued	8	215,317
Natural gas licenses cancelled and relinquished	22	901,616
Crown reserve natural gas licenses issued	14	222,484
Crown reserve natural gas licenses cancelled	13	112,931
Natural gas leases issued	181	700,389
Natural gas leases cancelled and relinquished	39	23,802
Fees, rentals and bonuses collected		\$20,606,677.19
Royalties collected		20,214,579.11
Crown reserve sales		40,013,319.80
TOTAL		\$80,834,576.10

COAL

	Number	Acres
Leases issued	23	5,940
Leases cancelled and relinquished	41	7,278
Road Allowance Leases—		
Leases issued	11	.....
Leases cancelled and relinquished	2	.....
Fees and rentals collected		\$ 52,033.34
Royalties collected		230,906.86
TOTAL		\$ 282,940.20

QUARRYING

	Number	Acres
Quarrying Leases issued	11	2,413
Quarrying Leases cancelled and relinquished	3	91
Fees and rentals collected	\$ 190.52	
Royalties collected	41,512.12	
TOTAL	\$ 41,702.64	

MISCELLANEOUS

	Number
Bituminous Sands Permits issued	6
Bituminous Sands Permits cancelled	7
Bituminous Sands Permits renewed	1
Bituminous Sands License issued	1
Permits to collect Bitumen renewed	1
Quartz	
Claims recorded	90
Certificates of Work issued	212
Certificates of Partnership issued	7
Powers of Attorney filed	3
Assignments recorded	111
Placer	
Claims recorded	143
Renewals issued	8
Powers of Attorney filed	87
Assignments recorded	7
Iron Prospecting Permits issued	4
Iron Prospecting Permits cancelled	4
Geophysical Licenses issued	184
Permits to Operate Geophysical Equipment issued	22
Permits to Operate Geophysical Equipment renewed	72
Fees, rentals, royalties and other miscellaneous charges	\$210,288.45

PETROLEUM AND NATURAL GAS

Leases.—During the year 2,783 petroleum and natural gas leases were granted covering 2,803,444 acres and at the close of the fiscal year a total of 23,283 leases were in existence comprising an area of 17,368,598 acres.

The revenue received from fees amounted to \$22,397.00. The revenue from lease rentals was \$15,852,429.30 and the revenue from bonuses accepted by the Mining Recorders at sales of petroleum and natural gas leases by tender amounted to \$434,083.06.

Disposal of Crown Reserves.—Petroleum and natural gas rights comprised in Crown reserves may be disposed of by order of the Lieutenant Governor in Council and during the year 191 leases, ten reservations, 56 Crown reserve drilling reservations and fourteen Crown reserve natural gas licenses were purchased and particulars of these Crown reserve purchases are included in this report. Particulars of Crown reserve fractional area leases purchased and Crown reserve natural gas leases purchased pursuant to Sections 274 and 275a of the Mines and Minerals Act are also included.

CROWN RESERVES PURCHASED IN
BATTLE AREA

Description	Offer Accepted From:	Cash Purchase Price
N.W. ¼ 2-46-20-4	Dome Exploration (Western) Limited and West Canadian Petroleums Ltd.	\$ 26,800.00
N.E. ¼ 11-46-20-4	Dome Exploration (Western) Limited and West Canadian Petroleums Ltd.	46,400.00
N.W. ¼ 11-46-20-4	The Bay Petroleum Corporation	55,617.00
		\$ 128,817.00

CROWN RESERVES PURCHASED IN BONNIE GLEN AREA

Description	Offer Accepted From:	Cash Purchase Price
N.W. ¼ 18-46-27-4	Stanolind Oil and Gas Company	\$ 56,604.80
S.W. ¼ 18-46-27-4	Stanolind Oil and Gas Company	25,126.40
N.E. ¼ 32-47-27-4	Imperial Oil Limited	80,000.00
S.E. ¼ 32-47-27-4	Calvan Consolidated Oil & Gas Company Limited	102,102.10
		<u>\$ 263,833.30</u>

CROWN RESERVES PURCHASED IN BONNYVILLE AREA

Description	Offer Accepted From:	Cash Purchase Price
N. ½ 31-60- 5-4	Trican Petro-Chemical Corporation (No Personal Liability)	\$ 1,600.00
N. ½ 32-60- 5-4	Trican Petro-Chemical Corporation (No Personal Liability)	1,600.00
S. ½ 5-61- 5-4	Trican Petro-Chemical Corporation (No Personal Liability)	1,600.00
S. ½ 6-61- 5-4	Trican Petro-Chemical Corporation (No Personal Liability)	1,600.00
		<u>\$ 6,400.00</u>

CROWN RESERVES PURCHASED IN CLIVE AREA

Description	Offer Accepted From:	Cash Purchase Price
All 28-40-24-4	The British American Oil Company Limited	\$ 7,174.40
		<u>\$ 7,174.40</u>

CROWN RESERVES PURCHASED IN ERSKINE AREA

Description	Offer Accepted From:	Cash Purchase Price
N.E. ¼ 12-39-21-4	The Bay Petroleum Corporation	\$ 126,300.00
S.E. ¼ 12-39-21-4	Canadian Gulf Oil Company	150,151.00
E. ½ 14-39-21-4	Canadian Gulf Oil Company	8,038.40
		<u>\$ 284,489.40</u>

CROWN RESERVES PURCHASED IN FAIRYDELL-BON ACCORD AREA

Description	Offer Accepted From:	Cash Purchase Price
S. ½ 20-58-24-4 (Except gas in Viking Zone)	Union Oil Company of California and Imperial Oil Limited	\$ 9,015.75
		<u>\$ 9,015.75</u>

CROWN RESERVES PURCHASED IN FENN-BIG VALLEY AREA

Description	Offer Accepted From:	Cash Purchase Price
N.W. ¼ 16-35-20-4	Imperial Oil Limited	\$ 110,000.00
S.W. ¼ 16-35-20-4	Imperial Oil Limited	130,000.00
N.W. ¼ 24-35-20-4	Canadian Gulf Oil Company	63,337.90
S.W. ¼ 24-35-20-4	Canadian Gulf Oil Company	21,217.90
N.E. ¼ 28-35-20-4	Shell Oil Company	11,001.60
S.W. ¼ 34-35-20-4	Shell Oil Company	15,001.60
N.W. ¼ 34-36-20-4	Imperial Oil Limited	210,000.00
S.W. ¼ 34-36-20-4	Imperial Oil Limited	126,000.00
N.W. ¼ 2-37-20-4	Western Leaseholds Ltd.	310,407.00
S.W. ¼ 2-37-20-4	Imperial Oil Limited	500,000.00
		<hr/> \$1,496,966.00

CROWN RESERVES PURCHASED IN GOLDEN SPIKE AREA

Description	Offer Accepted From:	Cash Purchase Price
N.W. ¼ 35-51-27-4	Oilwell Operators Limited	\$ 54,126.62
		<hr/> \$ 54,126.62

CROWN RESERVES PURCHASED IN HAMILTON LAKE AREA

Description	Offer Accepted From:	Cash Purchase Price
W. ½ 25-35-10-4	Calvan Consolidated Oil & Gas Company Limited	\$ 10,563.00
E. ½ 27-35-10-4	Calvan Consolidated Oil & Gas Company Limited	3,789.00
E. ½ 36-35-10-4	Calvan Consolidated Oil & Gas Company Limited	6,621.00
		<hr/> \$ 20,973.00

CROWN RESERVES PURCHASED IN JOARCAM AREA

Description	Offer Accepted From:	Cash Purchase Price
E. ½ 22-46-20-4	The Bay Petroleum Corporation	\$ 21,011.00
E. ½ 2-47-20 4	Bailey Selburn Oil & Gas Ltd.	7,660.00
W. ½ 12-47-20-4	Bailey Selburn Oil & Gas Ltd.	6,366.00
S.W. ¼ 4-49-21-4	Anglo-Canadian Oil Company Limited	101,831.00
N.W. ¼ 28-48-21-4	The Bay Petroleum Corporation	10,116.00
		<hr/> \$ 146,984.00

CROWN RESERVES PURCHASED IN JOFFRE AREA

Description	Offer Accepted From:	Cash Purchase Price
N.E. ¼ 26-38-26-4	Texaco Exploration Company	\$ 167,125.00
S. ½ 34-38-26-4	Texaco Exploration Company	327,125.00
S. ¼ 18-38-25-4	West Maygill Gas and Oil Limited	62,156.00
E. ½ 12-38-26-4	Seaboard Oil Company	39,767.67
N.W. ¼ 24-38-26-4	West Maygill Gas and Oil Limited	45,156.00
S.E. ¼ 24-38-26-4	West Maygill Gas and Oil Limited	43,156.00
		<hr/>
		\$ 684,485.67

CROWN RESERVES PURCHASED IN LLOYDMINSTER AREA

Description	Offer Accepted From:	Cash Purchase Price
All 36-50- 2-4	Stephen P. Burden	\$ 6,604.76
		<hr/>
		\$ 6,604.76

CROWN RESERVES PURCHASED IN PEMBINA AREA

Description	Offer Accepted From:	Cash Purchase Price
N.E. ¼ 8-49- 7-5	Oilwell Operators Limited	\$ 152,691.12
S.W. ¼ 16-49- 7-5	Oilwell Operators Limited	152,691.12
S.E. ¼ 17-49- 7-5	Dome Exploration (Western) Limited, West Canadian Petroleums Ltd. and Compagnie Française Des Petroles	101,100.00
N.W. ¼ 9-49- 7-5	Seaboard Oil Company	144,800.00
N.W. ¼ 13-48- 8-5	Oilwell Operators Limited	276,752.59
S.W. ¼ 14-48- 8-5	Mountain Park Coals Limited	475,021.00
S.E. ¼ 15-48- 8-5	Luscar Coals Limited	490,123.00
N.E. ¼ 21-48- 8-5	Canadian Bishop Oil, Ltd. and Canadian Fina Oil Limited	251,113.00
N.W. ¼ 21-48- 8-5	West Canadian Petroleums Ltd.	201,167.00
S.E. ¼ 23-48- 8-5	Dome Exploration (Western) Limited, West Canadian Petroleums Ltd. and Compagnie Française Des Petroles	151,200.00
N.E. ¼ 9-49- 8-5	McColl-Frontenac Oil Company Limited	201,111.11
S.W. ¼ 15-49- 8-5	McColl-Frontenac Oil Company Limited	201,111.11
S.E. ¼ 16-49- 8-5	Scurry Oils Limited	272,000.00
S.W. ¼ 16-49- 8-5	Scurry Oils Limited	331,000.00
S.E. ¼ 8-49- 7-5	The Ohio Oil Company	250,011.00
S.W. ¼ 9-49- 7-5	The Ohio Oil Company	250,011.00
N. ½ 35-47- 8-5	Consolidated Mic Mac Oils Ltd.	377,000.00
N. ½ 36-47- 8-5	The British American Oil Company Limited	384,670.50
S. ½ 3-48- 8-5	McColl-Frontenac Oil Company Limited	331,111.11
S. ½ 4-48- 8-5	Canadian Bishop Oil Ltd.	337,337.00

CROWN RESERVES PURCHASED IN PEMBINA AREA—(Continued)

Description	Offer Accepted From:	Cash Purchase Price
S. ½ 5-48- 8-5	Luscar Coals Limited	343,129.00
W. ½ 7-48- 8-5	Socony-Vacuum Oil Co. of Canada, Ltd.	425,111.11
N. ½ 14-48- 8-5	Socony-Vacuum Oil Co. of Canada, Ltd.	305,111.11
N.E. ¼ 15-48- 8-5	Trans-Canada Petroleum Ltd. (No Personal Liability)	117,500.00
W. ½ 18-48- 8-5	Socony-Vacuum Oil Co. of Canada, Ltd.	405,111.11
N.W. ¼ 22-48- 8-5	West Canadian Petroleum Ltd. and Royalite Oil Company Limited	90,390.00
S.W. ¼ 23-48- 8-5	Dome Exploration (Western) Limited, West Canadian Petroleum Ltd. and Compagnie Française Des Petroles	78,800.00
S.W. ¼ 24-48- 8-5	Dome Exploration (Western) Limited, West Canadian Petroleum Ltd. and Compagnie Française Des Petroles	144,400.00
		<hr/> \$7,241,573.99

CROWN RESERVES PURCHASED IN RIMBEY AREA

Description	Offer Accepted From:	Cash Purchase Price
N.E. ¼ 24-42- 2-5	Western Leaseholds Ltd.	\$ 75,000.00
S.E. ¼ 24-42- 2-5	John R. MacKenzie	50,560.00
		<hr/> \$ 125,560.00

CROWN RESERVES PURCHASED IN STURGEON LAKE AREA

Description	Offer Accepted From:	Cash Purchase Price
E. ½ 12-69-22-5	Shell Oil Company	\$1,105,111.00
E. ½ 16-69-22-5	Shell Oil Company	881,020.00
W. ½ 16-69-22-5	Amerada Petroleum Corporation	752,003.00
S. ½ 25-69-23-5	Western Leaseholds Ltd.	68,882.00
E. ½ 16-71-23-5	Shell Oil Company	150,001.00
E. ½ 20-71-23-5	Imperial Oil Limited	215,000.00
W. ½ 21-71-23-5	Amerada Petroleum Corporation	402,003.00
W. ½ 1-72-24-5	Amerada Petroleum Corporation	25,003.00
N.E. ¼ 1-69-22-5	Texaco Exploration Company	1,153,000.00
S. ½ 1-69-22-5	Texaco Exploration Company	1,353,000.00
		<hr/> \$6,105,023.00

CROWN RESERVES PURCHASED IN WEST DRUMHELLER AREA

Description	Offer Accepted From:	Cash Purchase Price
S.W. ¼ 31-29-20-4	New Superior Oils of Canada Limited	\$ 60,019.00
N. ½ 34-29-21-4	Hudson's Bay Oil and Gas Company Limited	55,000.00
S.W. ¼ 35-29-21-4	Hudson's Bay Oil and Gas Company Limited	112,500.00
S. ½ 3-30-21-4	Hudson's Bay Oil and Gas Company Limited	130,000.00
		<hr/> \$ 357,519.00

CROWN RESERVES PURCHASED ELSEWHERE IN ALBERTA

Description	Offer Accepted From:	Cash Purchase Price
All 24-41- 2-4	The British American Oil Company Limited	\$ 3,334.40
All 36-41- 2-4	The British American Oil Company Limited	3,334.40
E. ½ 9-11-13-4	McColl-Frontenac Oil Company Limited	6,880.00
N.W. ¼ 6- 1-16-4	Siebens Minerals Ltd.	5,168.00
W. ½ 7- 1-16-4	Texaco Exploration Company	11,100.00
N ½ 14-42-16-4	Canadian Gulf Oil Company	13,419.60
All 12- 1-17-4	Rio-Prado Consolidated Oils Limited (N.P.L.)	23,116.23
N.E. ¼ 3-27-20-4	Siebens Minerals Ltd.	3,922.00
N.E. ¼ 10-37-20-4	Canadian Gulf Oil Company	750,150.00
S.E. ¼ 10-37-20-4	Canadian Gulf Oil Company	975,200.00
N.E. ¼ 18-39-23-4	The British American Oil Company Limited	28,224.00
All 28-35-24-4	Phillips Petroleum Company and Husky Oil & Refining Ltd.	161,600.00
W. ½ 2-36-24-4	Phillips Petroleum Company and Husky Oil & Refining Ltd.	80,800.00
E. ½ 11-36-24-4	Phillips Petroleum Company and Husky Oil & Refining Ltd.	80,800.00
N. ¼ 20-58-24-4 (Except Gas in Viking Zone)	Union Oil Company of California	9,101.00
N.E. ¼ 30-58-24-4 (Except Gas in Viking Zone)	Union Oil Company of California	1,702.00
S.E. ¼ 31-58-24-4 (Except Gas in Viking Zone)	Union Oil Company of California	1,702.00
S.W. ¼ 22-13-26-4	The California Standard Company	1,711.00
S.W. ¼ 24-33-26-4	Socony-Vacuum Exploration Company	20,136.00
E. ½ 14-35-26-4	Seaboard Oil Company	24,472.00
S. ½ 24-35-26-4	Seaboard Oil Company	16,744.00
S. ½ 16-38-26-4	The California Standard Company	41,778.00
E. ½ 18-38-26-4	Seaboard Oil Company	65,600.00
N.E. ¼ 36-13-27-4	The California Standard Company	1,711.00
S.W. ¼ 32-41-27-4	The California Standard Company	17,335.00
S. ½ 31- 1-28-4	Montreal Trust Company	16,160.00
All 32- 1-28-4	Montreal Trust Company	32,322.00
N. ½ 2- 3-29-4	Montreal Trust Company	8,261.00
S. ½ 18-30- 1-5	Shell Oil Company	6,699.32
W. ½ 6-31- 1-5	Shell Oil Company	8,882.57
E. ½ 28-44- 1-5	Canadian Gulf Oil Company	168,160.00
W. ½ 18-51- 1-5	Siebens Minerals Ltd.	7,844.00
E. ½ 22-51- 1-5	L. B. Oils Ltd.	6,896.00
All 7-10- 2-5	Texaco Exploration Company	\$ 35,125.00
N.W. ¼ 24-42- 2-5	Amurex Oil Development Company	291,333.00
S.W. ¼ 24-42- 2-5	Western Leaseholds Ltd.	127,302.00

**CROWN RESERVES PURCHASED
ELSEWHERE IN ALBERTA—(Continued)**

Description		Offer Accepted From:	Cash Purchase Price
E. ½	24-51- 2-5	Texaco Exploration Company	7,380.00
N. ½	12- 9- 3-5	Canadian Gulf Oil Company	5,113.00
E. ½	13- 9- 3-5	Canadian Gulf Oil Company	5,113.00
N.E. ¼ & L.S.'s 11 & 14	36- 9- 3-5	Texaco Exploration Company	7,600.00
N.E. ¼	1-10- 3-5	Texaco Exploration Company	5,300.00
S. ½	12-10- 3-5	Texaco Exploration Company	10,550.00
S.W. ¼	36-32- 4-5	Royalite Oil Company Limited	8,199.00
N. ½	36- 43- 4-5	Imperial Oil Limited	16,000.00
E. ½	3- 44- 4-5	Imperial Oil Limited	16,000.00
N. ½	33-44- 4-5	Imperial Oil Limited	8,000.00
E. ½	4-45- 4-5	Imperial Oil Limited	8,000.00
N. ½	16-51- 7-5	Imperial Oil Limited	8,000.00
N.E. ¼	17-51- 7-5	Imperial Oil Limited	4,000.00
S.E. ¼	20-51- 7-5	Imperial Oil Limited	4,000.00
N. ½	4-59- 8-5	Western Leaseholds Ltd.	3,220.00
N. ½	9-59- 8-5	Canadian Gulf Oil Company	3,252.00
S. ½	13-80-17-5	Shell Oil Company	6,500.00
E. ½	14-80-17-5	Shell Oil Company	6,500.00
N. ½	28-79-22-5	Imperial Oil Limited	4,800.00
N. ½	29-79-22-5	Imperial Oil Limited	4,830.00
W. ½	6-55-14-4	Texas Pacific Coal and Oil Company	10,998.00
W. ½	18-55-14-4	Texas Pacific Coal and Oil Company	11,280.00
W. ½	34-55-15-4	Texas Pacific Coal and Oil Company	24,080.00
S. ½	10-56-15-4	Texas Pacific Coal and Oil Company	14,480.00
W. ½	12-36-18-4	The British American Oil Company Limited	20,170.50
N. ½	4-52-23-4	Banff Oil Ltd.	20,907.80
S. ½	4-52-23-4	Banff Oil Ltd.	27,309.80
N ½	12-43- 2-5	The Bay Petroleum Corporation, Dome Exploration (Western) Limited West Canadian Petroleums Ltd., Canpet Exploration Ltd., Albermont Petroleums Limited and Canadian Decalta Gas and Oils Limited	417,630.00
N ½	6-47- 5-5	Imperial Oil Limited	\$ 20,947.00
W. ½	17-47- 5-5	Great Plains Development Company of Canada Ltd.	12,800.00
W. ½	18-48- 6-5	Canadian Gulf Oil Company	65,139.20
S. ½	19-48- 6-5	Canadian Gulf Oil Company	65,139.20
N. ½	7-49- 6-5	Seaboard Oil Company	64,006.00
W. ½	18-49- 6-5	Seaboard Oil Company	64,006.00
W. ½	4-50- 8-5	Canada-Cities Service Petroleum Corporation	40,281.00
E. ½	3-73-18-5	Great Plains Development Company of Canada Ltd.	16,777.00
W. ½	11-73-18-5	Great Plains Development Company of Canada Ltd.	5,077.00

**CROWN RESERVES PURCHASED
ELSEWHERE IN ALBERTA—(Continued)**

Description		Offer Accepted From:	Cash Purchase Price
E. ½	20-73-18-5	Great Plains Development Company of Canada Ltd. and Muskeg Oil Company	21,078.40
All	25-40- 5-4	Canadian Gulf Oil Company	7,705.60
All	18-35-10-4	Bailey Selburn Oil & Gas Ltd.	7,084.49
All	24-35-11-4	Bailey Selburn Oil & Gas Ltd.	7,084.48
W. ½	20-35-13-4	Canadian Gulf Oil Company	5,056.60
N.E. ¼	30-35-13-4	Canadian Gulf Oil Company	2,528.60
W. ½	34-41-18-4	Canadian Gulf Oil Company	4,854.40
S.E. ¼	34-41-18-4	Canadian Gulf Oil Company	2,427.20
S.W. ¼	6-44-19-4	The British American Oil Company Limited	4,687.65
N.E. ¼	26-43-20-4	West Canadian Petroleums Ltd. and Dome Exploration (Western) Limited	5,530.00
N.W. ¼	36-43-20-4	The British American Oil Company Limited	9,660.12
N. ½	24-39-21-4	Canadian Gulf Oil Company	83,523.20
N.E. ¼	26-39-21-4	Bailey Selburn Oil & Gas Ltd.	57,660.87
N.E. ¼	29-37-23-4	Canadian Gulf Oil Company	51,387.20
S.E. ¼	30-37-23-4	Hudson's Bay Oil and Gas Company Limited	36,187.20
All	6-40-23-4	Canadian Gulf Oil Company	40,659.57
S.W. ¼ & L.S.'s 7 and 8 of Section	30-54-24-4	Halero Oil Ltd., Canadian Decalta Gas & Oils Limited and Albermont Petroleums Limited	3,620.00
N. ½	12-35-26-4	Imperial Oil Limited	32,000.00
N. ½	6-30-27-4	Texaco Exploration Company	67,175.00
E. ½	12-30-28-4	Texaco Exploration Company	67,175.00
N.E. ¼	26- 4-30-4	Montreal Trust Company	10,101.27
W. ½	35- 4-30-4	Montreal Trust Company	16,386.54
S.E. ¼	35- 4-20-4	Montreal Trust Company	\$ 10,101.27
All	36-43- 1-5	Canadian Gulf Oil Company	130,403.94
N. ½	32-50- 1-5	Texaco Exploration Company	5,775.00
S. ½	34-50- 1-5	Oilwell Operators Limited	4,792.00
N.W. ¼	18-36- 2-5	Seaboard Oil Company	12,167.67
N.E. ¼	10-36- 3-5	Seaboard Oil Company	12,167.67
N.E. ¼	14-36- 3-5	Seaboard Oil Company	12,167.67
N. ½	7-38- 3-5	Texaco Exploration Company	46,250.00
All	22-40- 3-5	Seaboard Oil Company	160,167.67
N.W. ¼	36-55- 4-5	Anglo-Canadian Oil Company Limited, Home Oil Company Limited and The Calgary & Edmonton Corporation Limited	32,829.00
			<hr/> \$5,071,806.30

PETROLEUM AND NATURAL GAS RESERVATIONS PURCHASED IN PROVINCIAL RESERVES

Description	Offer Accepted From:	Cash Purchase Price
All Township 67, Range 10, West 5th Meridian; All Township 68, Range 10, West 5th Meridian; All Township 67, Range 11, West 5th Meridian; All Township 68, Range 11, West 5th Meridian;—92,160 acres, located in Virginia Hills Provincial Reserve.	Trinidad Leaseholds (Canada) Limited	\$ 287,252.00
All Township 65, Range 12, West 5th Meridian; All Township 66, Range 12, West 5th Meridian; All Township 65, Range 13, West 5th Meridian; All Township 66, Range 13, West 5th Meridian;—92,160 acres, located in Virginia Hills Provincial Reserve.	Union Oil Company of California	935,600.00
All Township 67, Range 12, West 5th Meridian; All Township 68, Range 12, West 5th Meridian; All Township 67, Range 13, West 5th Meridian; All Township 68, Range 13, West 5th Meridian;—92,160 acres, located in Virginia Hills Provincial Reserve.	Shell Provincial Exploration Limited	1,843,500.00
All Township 61, Range 13, West 5th Meridian; All Township 62, Range 13, West 5th Meridian;—46,080 acres located in Virginia Hills Provincial Reserve.	Stanolind Oil and Gas Company	483,840.00
All Township 63, Range 13, West 5th Meridian; All Township 64, Range 13, West 5th Meridian;—46,080 acres, located in Virginia Hills Provincial Reserve.	Shell Prairie Exploration Limited	463,800.00
Sections 13 to 25 inclusive, Sections 27 to 36 inclusive in Township 25, Range 1, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 24 inclusive in Township 26, Range 1, West 4th Meridian; Sections 13 to 25 inclusive, Sections 27 to 36 inclusive in Township 25, Range 2, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 24 inclusive in Township 26, Range 2, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, Sections 27 to 36 inclusive in Township 25, Range 3, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 24 inclusive in Township 26, Range 3, West 4th Meridian;—95,360 acres, located in Acadia Provincial Reserve.	Hudson's Bay Oil and Gas Company Limited	192,627.20
Section 2, Sections 4 to 7 inclusive, Sections 9 to 12 inclusive, Section 14, Sections 16 to 22 inclusive, Section 24, the N.E.¼ of Section 26, Sections 28 to 32 inclusive, Section 34 and Section 36 in Township 39, Range 5, West 5th Meridian and all that portion of Section 23 designated as Lake No. 1, in the said Township; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, Sections 27 to 36 inclusive in Township 40, Range 5, West 5th Meridian; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, the N.E.¼ of Section 26 and Sections 27 to 36 inclusive in Township 39, Range 6, West of the 5th Meridian; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive and Sections 27 to 36 inclusive in Township 40, Range 6, West 5th Meridian—81,784 acres, located in Alhambra Provincial Reserve.	Socony-Vacuum Oil Co. of Canada, Ltd.	1,250,111.11

PETROLEUM AND NATURAL GAS RESERVATIONS PURCHASED IN PROVINCIAL RESERVES—(Continued)

Description	Offer Accepted From:	Cash Purchase Price
Sections 22 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Section 27, Sections 33 to 36 inclusive in Township 27, Range 14, West 4th Meridian; Sections 1 to 4 inclusive, Section 7, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 28, Range 14, West 4th Meridian—26,560 acres, located in Dorothy Provincial Reserve.	Canadian Gulf Oil Company	\$ 429,740.80
Section 7, Sections 16 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 23, Range 1, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 24, Range 1, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 12 inclusive in Township 25, Range 1, West of the 4th Meridian; Sections 5 to 7 inclusive, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 23, Range 2, West 4th Meridian—61,920 acres, located in Acadia Provincial Reserve.	Anglo-Canadian Oil Company Limited & Kroy Oils Limited	156,050.00
Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 24, Range 2, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 12 inclusive in Township 25, Range 2, West 4th Meridian; Sections 1 to 4 inclusive, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 23, Range 3, West 4th Meridian; Sections 1 to 7 inclusive, Sections 9 to 25 inclusive, the N.E. $\frac{1}{4}$ of Section 26, Sections 27 to 36 inclusive in Township 24, Range 3, West 4th Meridian—70,880 acres, located in Acadia Provincial Reserve.	United States Smelting, Refining and Mining Company	185,710.11 <hr/> \$6,228,231.22

CROWN RESERVE NATURAL GAS LICENSES PURCHASED

Area	Offer Accepted From:	Cash Purchase Price
Comprising 7,040 acres in Township 27, Ranges 2 and 3, West 4th Meridian.	Hudson's Bay Oil and Gas Company Limited	\$ 43,577.60
Comprising 7,680 acres in Township 26, Range 13, West of the 4th Meridian.	Hudson's Bay Oil and Gas Company Limited and Canadian Delhi Oil Limited	116,352.00
Comprising 6,080 acres in Township 35, Ranges 6 and 7, West 4th Meridian.	Calvan Consolidated Oil & Gas Company Limited	74,137.60
Comprising 10,400 acres in Townships 22 and 23, Ranges 9 and 10, West of the 4th Meridian.	Anglo-Canadian Oil Company Limited	18,211.00
Comprising 9,440 acres in Township 24, Range 9, West of the 4th Meridian.	Canadian Gulf Oil Company	104,406.40
Comprising 8,320 acres in Township 59, Range 20 and Townships 58 and 59, Range 21, West of the 4th Meridian.	Bailey Selburn Oil and Gas Ltd.	4,700.00
Comprising 18,080 acres in Township 31, Range 13 and Townships 29 and 30, Range 14, West of the 4th Meridian.	Calvan Consolidated Oil & Gas Company Limited	155,846.00
Comprising 7,840 acres in Township 12, Ranges 3 and 4, West 4th Meridian.	Canadian Delhi Oil Ltd.	9,878.40
Comprising 7,200 acres in Township 23, Ranges 11 and 12, West 4th Meridian.	Hudson's Bay Oil and Gas Company Limited and Donald Carter	156,960.00
Comprising 8,640 acres in Townships 59 and 60, Range 1, West 5th Meridian.	Sinclair Canada Oil Company	181,666.00
Comprising 46,880 acres in Townships 31 and 32, Ranges 15 and 16, West of the 4th Meridian.	West Maygill Gas and Oil Limited	5,156.80
Comprising 30,560 acres in Townships 31 and 32, Ranges 13 and 14, West of the 4th Meridian.	West Maygill Gas and Oil Limited	7,945.60
Comprising 47,360 acres in Township 30, Ranges 14, 15 and 16, West of the 4th Meridian.	West Maygill Gas and Oil Limited	12,313.60
Comprising 6,964 acres in Townships 59 and 60, Ranges 26 and 27, West of the 4th Meridian and Townships 59 and 60, Range 1, West of the 5th Meridian.	Western Leaseholds Ltd.	128,577.00
		<u>\$1,019,728.00</u>

CROWN RESERVE DRILLING RESERVATIONS PURCHASED

Area	Offer Accepted From:	Cash Purchase Price
Located in Townships 31 and 32, Range 22, W. 4th Meridian, comprising 5,142 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire nine quarter sections under petroleum and natural gas lease.	Sun Oil Company	\$ 434,880.00
Located in Township 29, Ranges 23 and 24, W. 4th Meridian, comprising 6,400 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	Anglo-Canadian Oil Company Limited	13,151.00
Located in Townships 14 and 15, Range 28, W. 4th Meridian, comprising 5,734 acres; requiring the drilling of a well into the Rundle formation to acquire fourteen quarter sections under petroleum and natural gas lease.	Bailey Selburn Oil & Gas Ltd.	17,667.67
Located in Townships 20 and 21, Ranges 2 and 3, W. 5th Meridian, comprising 4,320 acres; requiring the drilling of a well into the Cardium formation to acquire nine quarter sections under petroleum and natural gas lease.	Seaboard Oil Company	46,800.00
Located in Townships 30, 31 and 32, Range 3 and Township 31, Range 4, W. 5th Meridian, comprising 9,955 acres; requiring the drilling of a well to the top of the Shunda member of the Rundle formation to acquire twelve quarter sections under petroleum and natural gas lease.	Great Plains Development Company of Canada Ltd.	878,787.87
Located in Townships 46 and 47, Range 4 and Township 46, Range 5, West of the 5th Meridian, comprising 7,149 acres; requiring the drilling of a well into the Cambrian sediments to acquire fourteen quarter sections under petroleum and natural gas lease.	Imperial Oil Limited	145,600.00
Located in Township 33, Range 18, W. 4th Meridian, comprising 3,840 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire seven quarter sections under petroleum and natural gas lease.	Sharples Oil (Canada) Ltd., Kroy Oils Ltd. and Anglo-Canadian Oil Company Limited	15,589.98
Located in Township 51, Range 22, W. 4th Meridian, comprising 2,550 acres; requiring the drilling of a well into the Basal Quartz member of the Blairmore formation to acquire five quarter sections under petroleum and natural gas lease.	Texas Pacific Coal and Oil Company	65,000.00
Located in Township 56, Range 22, W. 4th Meridian, comprising 3,202 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire four quarter sections under petroleum and natural gas lease.	L. P. Mann & Co. Ltd.	7,110.90
Located in Townships 35 and 36, Range 24 and Township 35, Range 25, W. 4th Meridian, comprising 5,097 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire nine quarter sections under petroleum and natural gas lease.	Husky Oil & Refining Ltd.	151,106.61

CROWN RESERVE DRILLING RESERVATIONS PURCHASED (Continued)

Area	Offer Accepted From:	Cash Purchase Price
Located in Townships 14 and 15, Ranges 26 and 27, W. 4th Meridian, comprising 7,344 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire twelve quarter sections under petroleum and natural gas lease.	California Provincial Company	\$ 54,841.13
Located in Townships 37 and 38, Ranges 2 and 3, W. 5th Meridian, comprising 7,520 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire twelve quarter sections under petroleum and natural gas lease.	Western Leaseholds Ltd. and Oilwell Operators Ltd.	158,000.00
Located in Townships 38 and 39, Range 2 and Township 38, Range 3, W. 5th Meridian, comprising 7,065 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire twelve quarter sections under petroleum and natural gas lease.	Seaboard Oil Company	235,200.00
Located in Townships 40 and 41, Ranges 2 and 3, W. 5th Meridian, comprising 7,362 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire ten quarter sections under petroleum and natural gas lease.	California Provincial Company	3,126,667.01
Located in Townships 51 and 52, Range 19, W. 5th Meridian, comprising 6,411 acres; requiring the drilling of a well into the Cardium formation to acquire nine quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited	21,605.07
Located in Townships 73 and 74, Ranges 20 and 21, W. 5th Meridian, comprising 7,356 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire ten quarter sections under petroleum and natural gas lease.	Royallite Oil Company Limited and The British American Oil Company Limited	15,013.13
Located in Township 42, Range 14 and Townships 41 and 42, Range 15, W. 4th Meridian, comprising 5,004 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited	5,104.08
Located in Townships 40 and 41, Range 17, W. 4th Meridian, comprising 3,199 acres; requiring the drilling of a well into the Wabamun formation to acquire six quarter sections under petroleum and natural gas lease.	John Newton	14,009.00
Located in Townships 51 and 52, Ranges 18 and 19, W. 4th Meridian, except gas in Viking zone in Township 52, Range 19, W. 4th Meridian, comprising 3,841 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Burn Oil Land Service Ltd.	9,273.25
Located in Townships 57 and 58, Range 22 and Township 58, Range 23, W. 4th Meridian, comprising 3,198 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire five quarter sections under petroleum and natural gas lease.	Bailey Selburn Oil & Gas Ltd.	\$ 17,777.77

CROWN RESERVE DRILLING RESERVATIONS PURCHASED

(Continued)

Area	Offer Accepted From:	Cash Purchase Price
Located in Township 59, Ranges 26 and 27, W. 4th Meridian, comprising 3,522 acres; requiring the drilling of a well into the Paleozoic sediments to acquire five quarter sections under petroleum and natural gas lease.	Dome Exploration (Western) Limited	6,565.67
Located in Townships 34 and 35, Range 28 and Township 34, Range 29, W. 4th Meridian, Townships 34 and 35, Range 1, W. 5th Meridian, comprising 4,682 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire ten quarter sections under petroleum and natural gas lease.	Oilwell Operators Limited	41,313.00
Located in Townships 66 and 67, Range 1, W. 5th Meridian, comprising 4,632 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Union Oil Company of California	9,264.00
Located in Townships 84 and 85, Ranges 16 and 17, W. 5th Meridian, comprising 5,920 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	Shell Oil Company	311,451.20
Located in Townships 84 and 85, Range 17, W. 5th Meridian, comprising 6,080 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	Shell Oil Company	157,897.60
Located in Township 90, Range 4 and Townships 89 and 90, Range 5, W. 6th Meridian, comprising 6,400 acres; requiring the drilling of a well into the Permo Pennsylvanian sediments to acquire eight quarter sections under petroleum and natural gas lease.	Phillips Petroleum Company	3,648.00
Located in Township 20, Range 7, W. 4th Meridian, comprising 3,840 acres; requiring the drilling of a well into the "Jefferson" formation to acquire six quarter sections under petroleum and natural gas lease.	Great Sweet Grass Oils Limited	7,786.78
Located in Townships 20 and 21, Range 8, W. 4th Meridian, comprising 4,000 acres; requiring the drilling of a well into the "Jefferson" formation to acquire six quarter sections under petroleum and natural gas lease.	Great Sweet Grass Oils Limited	6,666.66
Located in Township 33, Ranges 14 and 15, W. 4th Meridian, comprising 4,484 acres; requiring the drilling of a well into the Beaverhill Lake formation to acquire seven quarter sections under petroleum and natural gas lease.	Canadian Gulf Oil Company	\$ 20,227.20
Located in Townships 62 and 63, Range 25, W. 4th Meridian, comprising 4,934 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Sinclair Canada Oil Company	10,410.74

CROWN RESERVE DRILLING RESERVATIONS PURCHASED

(Continued)

Area	Offer Accepted From:	Cash Purchase Price
Located in Townships 43 and 44, Ranges 27 and 28, W. 4th Meridian, comprising 4,807 acres; requiring the drilling of a well into the Cooking Lake member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	The California Standard Company	135,035.35
Located in Townships 24 and 25, Range 28 and Townships 23, 24 and 25, Range 29, W. 4th Meridian, comprising 7,415 acres; requiring the drilling of a well into the "Crossfield" member of the Wabamun (Three Forks) formation to acquire twelve quarter sections under petroleum and natural gas lease.	Socony-Vacuum Oil Co. of Canada, Ltd.	10,000.13
Located in Townships 19 and 20, Range 2, W. 5th Meridian, comprising 4,000 acres; requiring the drilling of a well into the Rundle group to acquire seven quarter sections under petroleum and natural gas lease.	Oilwell Operators Limited	22,132.56
Located in Townships 66 and 67, Ranges 2 and 3, W. 5th Meridian, comprising 5,118 acres; requiring the drilling of a well into the Beaverhill Lake formation to acquire seven quarter sections under petroleum and natural gas lease.	Canadian Gulf Oil Company	16,038.40
Located in Townships 28, 29 and 30, Range 3 and Township 29, Range 4, W. 5th Meridian, comprising 8,157 acres; requiring the drilling of a well to the top of the "Shunda" member of the Rundle group to acquire fourteen quarter sections under petroleum and natural gas lease.	Triad Oil Co. Ltd.	1,053,108.00
Located in Townships 39 and 40, Ranges 21 and 22, W. 4th Meridian, comprising 3,844 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire seven quarter sections under petroleum and natural gas lease.	Oilwell Operators Limited	161,272.00
Located in Township 29, Range 22, W. 4th Meridian, comprising 4,280 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	Shell Oil Company	75,011.11
Located in Townships 29 and 30, Range 22, W. 4th Meridian, comprising 4,160 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eight quarter sections under petroleum and natural gas lease.	Shell Oil Company	\$ 150,011.11
Located in Township 36, Range 26, W. 4th Meridian, comprising 5,440 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire ten quarter sections under petroleum and natural gas lease.	Shell Oil Company	466,661.11
Located in Townships 68 and 69, Range 1, W. 5th Meridian, comprising 3,839 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Bradley Oil Corporation Ltd.	1,800.00

CROWN RESERVE DRILLING RESERVATIONS PURCHASED

(Continued)

Area	Offer Accepted From:	Cash Purchase Price
Located in Township 25, Ranges 1, 2 and 3, W. 5th Meridian, comprising 8,570 acres; requiring the drilling of a well into the Banff formation to acquire twelve quarter sections under petroleum and natural gas lease.	Western Leaseholds Ltd.	26,577.00
Located in Townships 25 and 26, Range 3 and Township 25, Range 4, W. 5th Meridian, comprising 8,205 acres; requiring the drilling of a well into the Banff formation to acquire twelve quarter sections under petroleum and natural gas lease.	Shell Oil Company	75,011.11
Located in Townships 77 and 78, Ranges 14 and 15, W. 5th Meridian, comprising 6,382 acres; requiring the drilling of a well into the "Zone" immediately above the Pre-Cambrian granite to acquire nine quarter sections under petroleum and natural gas lease.	Union Oil Company of California	9,056.51
Located in Townships 80 and 81, Range 16, W. 5th Meridian, comprising 7,360 acres; requiring the drilling of a well into the "Zone" immediately above the Pre-Cambrian granite to acquire nine quarter sections under petroleum and natural gas lease.	Union Oil Company of California	21,077.51
Located in Township 58, Range 17, W. 4th Meridian, comprising 3,215 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire four quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited	3,270.40
Located in Township 58, Ranges 17 and 18, W. 4th Meridian, comprising 2,846 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire four quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited	3,270.40
Located in Township 51, Range 18, W. 4th Meridian, comprising 4,339 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire six quarter sections under petroleum and natural gas lease.	Colorado Oil and Gas Corporation	9,540.00
Located in Townships 29 and 30, Ranges 23 and 24, W. 4th Meridian, comprising 6,395 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire nine quarter sections under petroleum and natural gas lease.	Imperial Oil Limited	216,000.00

CROWN RESERVE DRILLING RESERVATIONS PURCHASED

(Continued)

Area	Offer Accepted From:	Cash Purchase Price
Located in Townships 31 and 32, Range 27 and Township 31, Range 28, W. 4th Meridian, comprising 5,924 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire ten quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited, Anglo-Canadian Oil Company Limited and A. G. Bailey Company Limited	40,176.00
Located in Township 39, Range 27 and Townships 39 and 40, Range 28, W. 4th Meridian, comprising 5,367 acres; requiring the drilling of a well into the zone of Mississippian age to acquire eight quarter sections under petroleum and natural gas lease.	Imperial Oil Limited	160,000.00
Located in Townships 40 and 41, Range 1, W. 5th Meridian, comprising 5,762 acres; requiring the drilling of a well into the zone of Mississippian age to acquire eight quarter sections under petroleum and natural gas lease.	Imperial Oil Limited	160,000.00
Located in Townships 38, 39 and 40, Range 3, W. 5th Meridian, comprising 6,408 acres; requiring the drilling of a well into the Leduc member of the Woodbend formation to acquire eleven quarter sections under petroleum and natural gas lease.	Hudson's Bay Oil and Gas Company Limited and Richfield Oil Corporation	350,011.20
Located in Township 43, Range 6, W. 5th Meridian, comprising 6,306 acres; requiring the drilling of a well into the zone of Mississippian age to acquire nine quarter sections under petroleum and natural gas lease.	Brandon Exploration Company	100,999.00
Located in Townships 69 and 70, Range 13, W. 5th Meridian, comprising 8,000 acres; requiring the drilling of a well into the granite wash to acquire twelve quarter sections under petroleum and natural gas lease.	Stanolind Oil and Gas Company	2,000.00
Located in Townships 72 and 73, Range 23, W. 5th Meridian, comprising 8,000 acres; requiring the drilling of a well into the zone immediately above the Pre-Cambrian granite to acquire twelve quarter sections under petroleum and natural gas lease.	Amerada Petroleum Corporation	41,126.40
Located in Townships 72 and 73, Range 24 and Township 73, Range 25, W. 5th Meridian, comprising 8,480 acres; requiring the drilling of a well into the granite wash to acquire twelve quarter sections under petroleum and natural gas lease.	California Assiniboine Company	\$ 81,042.33
		\$9,398,642.95

CROWN RESERVE FRACTIONAL AREA LEASES PURCHASED

Description	Offer Accepted From:	Cash Purchase Price	Share of Oil Products
Fiscal Year Ended March 31, 1949. Pt. L.S. 4 of Sec. 6-51-25 W. 4th Mer. lying West of the right bank of the North Saskatchewan River—27 acres.	Hugh M. McAfee, W. Fay Becker and Frank Christou	\$ 10,298.61	
Fiscal Year Ended March 31, 1951. Pts. L.S.'s 9, 10 and 16 of Sec. 27 lying within the bed of the North Saskatchewan River in Twp. 56-21 W. 4th Mer.—54.01 acres.	Western Minerals Ltd.	340,603.80	
N.W.¼ of L.S. 8 of Sec. 35-50-26 W. 4th Mer.—10 acres.	Imperial Oil Limited	12,787.50	15%
Fiscal Year Ended March 31, 1952. That portion covered by the waters of the Saskatchewan River in S.W.¼ of Sec. 3-52-25 W. 4th Meridian—6 acres.	Pacific Western Oil Co. Ltd.	375.00	
Pt. L.S. 9 and Pt. L.S. 16 of Sec. 8-55-24 W. 4th Meridian—4.64 acres.	Imperial Oil Limited	145.56	
That portion lying to the North and West of the right bank of the North Saskatchewan River of the N.E.¼ of Sec. 8-56-21 W. 4th Meridian—13.5 acres.	Imperial Oil Limited	6,328.13	
That portion of Lot 5 and the bed of Battle River in L.S. 13 of Sec. 8-46-21 W. 4th Meridian—18 acres.	Home Oil Company Limited	2,458.44	
Portions of L.S.'s 13 and 14 covered by waters of Lake Cormier in Sec. 21-47-23 W. 4th Meridian—9 acres.	Home Oil Company Limited	1,269.63	
Portion of N.W.¼ of Section 7 covered by the waters of Coal Lake in Twp. 48-23 W. 4th Meridian—22.50 acres.	Pacific Western Oil Co. Ltd.	3,712.50	
Portions of Lot 6 and the bed of Battle River in L.S. 14 of Sec. 8-46-21 W. 4th Meridian—35 acres.	Imperial Oil Limited	4,780.30	
S.E.¼ of L.S. 3 of Sec. 23-50-22 W. 4th Meridian—10 acres.	Imperial Oil Limited	38,476.75	
Fiscal Year Ended March 31, 1953. All that portion of the N.E.¼ of Sec. 3 lying within the bed of the Blindman River in Twp. 42-2 W. 5th Mer.—3.46 acres.	The California Standard Company	6,733.78	
All that portion of the N.W.¼ of Sec. 3 covered by the waters of Blindman River in Twp. 42-2 W. 5th Meridian—4.26 acres.	Canadian Gulf Oil Company	9,458.44	
S.½ and N.W.¼ of L.S. 5 of Sec. 31-50-26 W. 4th Meridian—30 acres.	Imperial Oil Limited	87,794.10	15%
All that portion lying South of the most Northerly Fourteen and Seventy-five Hundredths (14.75) chains throughout of L.S. 16 of Sec. 3-44-22 W. 4th Meridian—10.5 acres.	Canadian Gulf Oil Company	10,063.94	
Fiscal Year Ended March 31, 1954. All that portion of the Methodist Mission Reserve in Twp. 44-24 W. 4th Mer.—186.26 acres.	Union Oil Company of California and Western Leaseholds Ltd.	\$ 18,626.00	

CROWN RESERVE FRACTIONAL AREA LEASES PURCHASED

(Continued)

Description	Offer Accepted From:	Cash Purchase Price	Share of Oil Products
L.S.'s 7 and 8 within bed of Saskatchewan River and L.S. 8 lying North and East of left bank of River in Sec. 36-50-27 W. 4th Mer.—36.48 acres.	North Canadian Oils Limited	3,000.00	
All that portion of the N.E. ¼ of Section 7 covered by the waters of an unnamed lake in Twp. 54-21 W. 4th Meridian—4 acres.	Imperial Oil Limited	201.00	
All those portions of a surveyed roadway lying within L.S.'s 10 and 11 of Section 24-46-28 W. 4th Meridian—3.52 acres.	Stanolind Oil and Gas Company	5,341.67	
That portion of the S.E. ¼ of Section 18-38-23 W. 4th Meridian lying to the South and East of the left bank of River—32 acres.	Canada-Cities Service Petroleum Corporation	10,432.00	
That portion of the N.E. ¼ of Section 7-38-23 W. 4th Meridian lying within bed of river—20 acres.	Stanolind Oil and Gas Company	6,520.00	
All that portion of a surveyed roadway lying within L.S. 8 of Section 24-46-28 W. 4th Meridian—1.25 acres.	Stanolind Oil and Gas Company	1,896.90	
Fiscal Year Ended March 31, 1955. All those portions of L.S.'s 1, 8 and 9 of Section 35-53-21 W. 4th Mer. designated as lake by a plan of survey dated 23/9/1884—4.2 acres.	Western Leaseholds Ltd.	211.05	
All those portions of a surveyed roadway lying within L.S.'s 2, 7 and 10 of Section 35-46-28 W. 4th Meridian—6.47 acres.	Texaco Exploration Company	16,088.30	
All those portions of a surveyed roadway lying within L.S.'s 7, 8, 9, 10, 15 and 16 of Section 26-46-28 W. 4th Meridian—5.91 acres.	Texaco Exploration Company	14,695.81	
That portion of a surveyed roadway lying within L.S. 15 of Section 35-46-28 W. 4th Meridian—.74 acres.	Texaco Exploration Company	1,840.00	
S.W. ¼ of Section 36-20-29 W. 4th Mer.—160 acres.	Paul Sallenback	4,153.60	
L.S.'s 1 and 2 and the most Southerly 5.5 chains of L.S. 8 of Section 9-44-1 W. 5th Mer.—91 acres.	Canadian Gulf Oil Company	74,702.81	
Fractional Sec. 28-45-28 W. 4th Mer.—193 acres.	Canadian Gulf Oil Company, The California Standard Company, Husky Oil & Refining Ltd. and Phillips Petroleum Company	1,000,901.00	
That portion of L.S. 1 of Section 8-49-21 W. 4th Meridian designated as Lake by a plan of survey of the said Township confirmed by E. Deville, Surveyor General at Ottawa on the 24th day of February, 1894—13.2 acres.	Imperial Oil Limited	11,400.97	
Pt. L.S. 2 of Section 26-46-28 W. 4th Meridian covered by surveyed roadway and Pigeon Lake—4.40 acres.	Texaco Exploration Company	10,941.04	
		<u>\$1,716,238.63</u>	

CROWN RESERVE NATURAL GAS LEASES PURCHASED

(Pursuant to The Mines and Minerals Act, Section 274)

Description	Offer Accepted From:	Cash Purchase Price
Fiscal Year Ended March 31, 1955. Section 24-13-6 W. 4th Meridian—640 acres.	Redcliff Premier Brick Company Limited	\$ 1,920.00
S.½ and N.W.¼ of Section 23-13-6 W. 4th Meridian—480 acres.	Redcliff Premier Brick Company Limited	1,440.00
Section 36-13-6 W. 4th Mer.—640 acres.	Dominion Glass Company, Limited	1,920.00
Section 34-18-6 W. 4th Mer.—640 acres.	Dominion Glass Company, Limited	1,920.00
Section 3-13-6 W. 4th Mer.—622.99 acres.	Perry Brick & Tile Company, Limited	1,868.97
		<u>\$ 9,068.97</u>

CROWN RESERVE NATURAL GAS LEASES PURCHASED

(Pursuant to The Mines and Minerals Act, Section 275a

Subsection (1a) Clause (a).)

Description	Offer Accepted From:	Cash Purchase Price
Fiscal Year Ended March 31, 1953. Section 34-53-21 W. 4th Mer.—638 acres.	Northwestern Utilities Limited	\$ 61,779.20
Section 16-53-21 W. 4th Mer.—641 acres.	Northwestern Utilities Limited	61,779.20
Section 32-53-21 W. 4th Mer.—642 acres.	Northwestern Utilities Limited	61,779.20
Fiscal Year Ended March 31, 1955. S.½ and N.W.¼ of Section 34-14-9 W. 4th Meridian, saving and excepting thereout and therefrom: Firstly, the right of way and station grounds of C.P.R., Plan No. 434-R; Secondly, the S.½ of L.S. 11 and that portion of L.S. 6 lying to the N. of the said right of way—410.92 acres.	John D. Orr	262.60
N.E.¼ 34-14-9 W. 4th Mer.—157-48 acres.	John D. Orr	106.67
		<u>\$ 185,706.87</u>

CROWN RESERVE NATURAL GAS LEASES PURCHASED

(Pursuant to The Mines and Minerals Act, Section 275a Subsection (1a)
Clause (b).)

Description	Offer Accepted From:	Cash Purchase Price
Fiscal Year Ended March 31, 1953. W. $\frac{1}{2}$ and S.E. $\frac{1}{4}$ of Section 21-54-22 W. 4th Meridian—480 acres.	Mid-Western Industrial Gas Ltd.	\$ 46,334.40
Fiscal Year Ended March 31, 1954. Pt. N.W. $\frac{1}{4}$ of Section 27-55-12 W. 4th Meridian covered by river—14 acres.	Western Leaseholds Ltd.	61.00
Pt. N $\frac{1}{2}$ of Section 26-55-12 W. 4th Mer. covered by river—52 acres.	Western Leaseholds Ltd.	226.00
E. $\frac{1}{2}$ of Section 17-60-1 W. 5th Mer.—320 acres.	Sinclair Canada Oil Company	7,100.00
S. $\frac{1}{2}$ of Section 18-60-1 W. 5th Mer.—320 acres.	Sinclair Canada Oil Company	3,900.00
E. $\frac{1}{2}$ of Section 20-60-1 W. 5th Meridian—320 acres.	Sinclair Canada Oil Company	8,140.00
Pt. S. $\frac{1}{2}$ of Section 35-55-12 W. 4th Meridian covered by river—44.6 acres.	Western Leaseholds Ltd.	200.00
Fiscal Year Ended March 31, 1955. Pt. N.E. $\frac{1}{4}$ of Section 23-56-5 W. 4th Mer. covered by river—33.4 acres.	The Canadian Salt Company Limited	555.28
N. $\frac{1}{2}$ of Section 34-55-12 W. 4th Meridian—320 acres.	Western Leaseholds Ltd.	1,600.00
All those portions of the N $\frac{1}{2}$ of L.S. 9 and L.S.'s 15 and 16 of Section 34-53-26 W. 4th Meridian which lie to the South and West of the surveyed roadway adjoining the St. Albert Settlement—67.6 acres.	Hewitt Oil Company	5,610.00
		\$ 73,726.68

Reservations.—During the fiscal year 328 reservations were issued covering an area of 14,847,678 acres and at the close of the year 631 reservations were active containing an area of 33,689,234 acres.

The revenue from reservation fees amounted to \$82,750.00, for extending reservations amounted to \$1,926,747.54 and the revenue from bonuses accepted by the Director of Mineral Rights at sales of petroleum and natural gas reservations by tender amounted to \$1,912,982.15.

Credit of not in excess of fifty per cent of the approved expenditures incurred in geophysical examinations including drilling on petroleum and natural gas reservations may apply to the rental for one year of any lease or leases acquired out of the reservation and during the fiscal year under review rentals of \$2,389,897.07 were satisfied from such expenditures.

Crown Reserve Drilling Reservations.—New Regulations governing the granting of Drilling Reservations of Petroleum

and Natural Gas Rights in Crown Reserves were established on April 23, 1954. These regulations provide for the disposal of Crown reserves as Crown reserve drilling reservations and a person desiring to obtain a reservation pursuant to these regulations shall submit to the Director of Mineral Rights a request that the petroleum and natural gas rights in the Crown reserves for which he wishes to acquire the reservation be made available for disposal. The Minister may direct the disposal of petroleum and natural gas rights comprising those described in the request with the addition or deletion of such Crown reserves as the Minister deems desirable. The maximum area that may be acquired under lease and the zone to be specified in the reservation to which a well must be drilled shall be indicated in the notice making the rights available for disposition.

During the fiscal year 56 drilling reservations were issued covering an area of 312,802 acres and at the close of the year 55 were active containing an area of 306,402 acres.

The revenue from drilling reservation fees amounted to \$14,000.00, from rentals \$99,109.50 and the revenue from accepted offers at sales of Crown reserve drilling reservations amounted to \$9,398,642.95.

Credit may be granted for expenditures incurred in drilling a well on a drilling reservation and applied in satisfaction of the first year's rental. During the fiscal year rentals on leases acquired out of the reservation of \$1,280.00 were satisfied by credit.

Natural Gas Licenses.—Eight natural gas licenses covering an area of 215,317 acres were issued during the fiscal year and at the close of the year twelve licenses were active containing an area of 457,847 acres. The revenue from fees was \$2,250.00 and from rentals was \$44,231.80. Credit may be granted for expenditures incurred in drilling a well on a natural gas license and applied in satisfaction of the first year's rental. During the fiscal year rentals on leases acquired out of the license of \$80,801.49 were satisfied by credit.

Crown Reserve Natural Gas Licenses.—Fourteen Crown reserve natural gas licenses covering an area of 222,484 acres were issued during the fiscal year. At the close of the year thirteen licenses were active, containing an area of 309,364 acres. The revenue from fees was \$3,500.00, from rentals \$26,815.80 and the revenue from accepted offers at sales of Crown reserve natural gas licenses amounted to \$1,019,728.00. Credit may be granted for expenditures incurred in drilling a well on a Crown reserve natural gas license and applied in satisfaction of the first year's rental. During the fiscal year rentals on leases acquired out of the license of \$8,705.80 were satisfied by credit.

Natural Gas Leases.—The granting of natural gas leases continued during the fiscal year and a total of 181 leases were issued covering 700,389 acres. One hundred and seventy-six of the leases were granted out of natural gas licenses or Crown reserve natural gas licenses and permit the recovery of natural gas from one or more zones specified in the lease. Two leases

were issued permitting the recovery of natural gas from the Milk River Zone being considered essential in the operation of a natural gas utility and the remaining three leases authorizing the recovery of natural gas from the Viking, Mannville and Basal Quartz Zones, were issued comprising the balances of spacing units to permit natural gas wells that are capable of commercial production to be operated at full production allowables.

The annual rental of a natural gas lease is thirty-three and one-third cents an acre and while an adequate market or a market in which the lessee may participate is not available, the annual rental is reduced to ten cents an acre. The revenue from fees was \$1,740.00 and from rentals \$183,641.04, as compared to \$390.00 and \$12,520.25 respectively for the previous year.

COAL

In the fiscal year, 23 leases were issued containing 5,940 acres, being made up of new and renewal and second renewal leases. There are now 542 active leases comprising 147,778 acres. There were eleven road allowance coal mining leases issued and there are now 134 active. The revenue received from fees was \$350.00 and from lease rentals \$51,683.34.

Crown royalties collected during the fiscal year were \$230,906.86 and the following tonnage of coal, subject to royalty was mined:

	Tons
Coal Leases	2,295,869
Coal Lands and Mineral Sales	503,631
Total	<u>2,799,500</u>

Order in Council numbered O.C. 662/54 and dated May 7, 1954, reduced the annual rental falling due within the five-year period commencing April 1st, 1954 from one dollar to twenty-five cents an acre of coal mining leases other than leases of road allowances. This reduction does not apply to a lease, other than a renewal lease, issued on or after April 1st, 1954.

QUARRYING

Eleven quarrying leases comprising a total of 2,413 acres were issued during the fiscal year under review, seven of which were for the removal of limestone and four for clay.

Extraction of 992,262 tons of limestone and shale from Crown leases was reported and at the close of the fiscal year 32 quarrying leases containing an area of 4,817 acres were active.

The rates of royalty on quarriable minerals were established on December 10, 1954 by Order in Council numbered O.C. 1675/54 as follows:

Bentonite	10 cents a ton
Clay used for making pottery, or fireclay	10 cents a cubic yard
Other clay, marl or volcanic ash	5 cents a cubic yard
Limestone, shale, granite, slate, gypsum or building stone	4 cents a ton

Where quarriable material is recovered by a railway company from a quarrying lease and is used in the construction and maintenance of the road-bed of the railway, the royalty is one-half of the rate.

BITUMINOUS SANDS

No bituminous sands prospecting permits were issued during the year. Six permits were cancelled, seven were renewed. Lease applications were received for three of the six permits cancelled. The lease in the Mildred-Ruth Lake area is still in force.

Bituminous sands license No. 1 was issued on June 15, 1954, to Can-Amara Oil Sands Development Ltd. and Mill Creek Oil Company Limited granting the right to use the plant at Bitumount for a consideration of \$20,000.00. On payment of a further \$180,000.00 before December 15, 1955, the licensees will be entitled to the plant, the surface at the plant site and a bituminous sands lease containing 5,874 acres.

The third year's rental of twenty-five cents an acre was reduced to five cents an acre on existing permits by Order in Council numbered O.C. 949/54 and dated June 7, 1954.

The requirement for the construction of a plant on a bituminous sands lease was amended by Order in Council numbered O.C. 1009/54 and dated July 19, 1954, to provide that the construction of a plant need not commence until a notice of one year to do so has been given by the Minister. This notice may not be given until the expiration of one year from the date of the lease and the plant must be placed in operation within four years from the date of the notice.

The rental for the first five years of the lease was reduced to twenty-five cents an acre by this Order in Council. The rental for the balance of the term is one dollar an acre a year, however, the Minister may reduce it to twenty-five cents in any year until the lease is in production.

Order in Council numbered O.C. 5/55 and dated January 4, 1955, provided that the Minister of Mines and Minerals be and is hereby authorized, upon acceptance of an application for a lease following a bituminous sands prospecting permit granted pursuant to Order in Council dated May 5th, 1952, and numbered O.C. 631/52, to rebate, remit or refund that portion of the said deposit that is in excess of the sum of \$10,000.00 or the sum of \$5.00 for each acre comprised in the lease applied for, whichever sum is the larger.

QUARTZ

Ninety claims were recorded during the year while 1,430 were issued the previous year. Two Hundred and twelve existing claims were continued for a further year. The claim in the Drumheller district for the recovery of bentonite was one of those continued and extraction of 1,040 tons was reported.

PLACER

One hundred and forty-three placer claims were recorded and eight were renewed for another year. No recovery of gold was reported during the year.

SODIUM CHLORIDE (Common Salt)

During this fiscal year the plant near Lindbergh operated and the reported extraction was 29,347 tons, an increase of 2,927 tons over the previous year.

SULPHUR

The sulphur plants at Jumping Pound and Turner Valley produced 22,320 short tons during the year, an increase of 4,022 tons over last year.

SPECIAL PERMITS

The permit for the collection of bitumen issuing from an old well in the Peace River district was again renewed. Collection of 200 gallons was reported during the year under review.

IRON PROSPECTING PERMITS

During the year under review four iron prospecting permits comprising 306,428 acres were issued by the Department. Four permits were cancelled leaving one permit comprising 38,268 acres active at the end of the year.

DRILLING STATISTICS

The drilling and production of petroleum and natural gas wells in the Province are administered by The Petroleum and Natural Gas Conservation Board, 514 Eleventh Avenue West, Calgary, Alberta, and particulars as to drilling activity, production and statistical data are included in weekly, monthly and annual reports issued by the Board.

STAFF

At the close of the fiscal year the Division staff numbered 45 employees and continued giving the capable service that has been given in the past.

At the end of the fiscal year Mr. A. Z. Choquette retired from his position as Mining Recorder for the Calgary District. Mr. Choquette has been a member of the staff of the Department of Lands and Mines and Mines and Minerals since the inception

of the former Department, having been transferred from the Dominion government at the time of transfer of the natural resources from the Dominion to the Province in 1930.

Mr. D. C. MacMillan, who has been the Assistant Mining Recorder for the Calgary district, was promoted to Mining Recorder and Mr. D. Gilchrist was appointed Assistant Mining Recorder.

Technical Division

Report of the Superintendent of the Technical Division

H. B. Grove

The following report summarizes the operations of the Technical Division for the fiscal year ending March 31, 1955.

DRAUGHTING, LAND DESCRIPTIONS AND GENERAL

The continued activity in the drilling of oil and gas wells throughout the province during the year necessitated the preparation of new maps and the constant revision of existing maps.

New maps of standard size, 52" x 30" or 26" x 15", drawn to a scale of two inches to the mile, showing the location and status of all wells and the limits of fields as established by order of the Petroleum and Natural Gas Conservation Board, were published for the following fields:

DRUMHELLER, WEST DRUMHELLER

Township 29, South two-thirds Township 30, Ranges 19, 20, East two-thirds Range 21, West of the 4th Meridian.

HAMILTON LAKE

North half Township 34, Township 35, South one-third Township 36, West half Range 8, Range 9, East five-sixths Range 10, West 4th Meridian.

MALMO, BATTLE, DUHAMEL, NEW NORWAY

Townships 43, 44, 45, South one-third Township 46, Ranges 20, 21, East five-sixths Range 22, West of the 4th Meridian.

LEDUC WOODBEND—Redrawn.

There are, however, fields for which standard size maps have not been draughted and during the year eleven maps were drawn to a scale of two miles to the inch on transparent township plans so that maps are available showing the locations and status of wells for all producing areas. The fields covered in this respect are:

Chauvin, Chauvin South, Countess, Duchess, Kessler, Leahurst, Nevis, Oyen, Sibbald, Rosedale, Wayne.

A new series of maps, of the following areas, drawn to a scale of three-quarters of an inch to the mile, each covering approximately forty-eight townships, were introduced in order to obtain a broader picture of development in areas which are too large to show efficiently on the standard two inches to the mile maps.

CESSFORD—Townships 22 to 27, Ranges 8 to 15, West 4th Meridian.

MEDICINE HAT—Townships 11 to 15, Ranges 1 to 7, West 4th Meridian.

PEMBINA—Townships 45 to 52, Ranges 6 to 11, West 5th Meridian.

PENDANT D'OREILLE—Townships 1 to 6, Ranges 5 to 12, West 4th Meridian.

PRINCESS—Townships 14 to 21, Ranges 8 to 13, West 4th Meridian.

PROVOST—Townships 35 to 39, Ranges 1 to 7, West 4th Meridian.

STURGEON LAKE—Townships 67 to 74, Ranges 21, West 5th to 6th Meridian.



MAP OF ALBERTA

SHOWING AREAS FOR WHICH
PETROLEUM AND NATURAL GAS
RESERVATIONS
HAVE BEEN ISSUED

SCALE 0 10 20 30 40 50 MILES

— LEGEND —

- RESERVATIONS ISSUED PREVIOUS TO APRIL 1, 1954
- RESERVATIONS ISSUED FROM APRIL 1, 1954 TO MARCH 31, 1955
- PROVINCIAL RESERVES

A map of the Province showing the location of oil and gas field maps published to March 31, 1955, is included in this report.

The accurate drawing of the folder entitled "Alberta Oil Picture 1947-52" was revised by the addition of the statistics for the calendar year 1953.

A total of 3,274 maps were distributed for departmental use or sold to the public which is an increase of 824 from the 2,450 maps distributed in the previous year.

The number of subscribers to the weekly service which entitles a subscriber to a sketch of each new reservation issued and each reservation amended, cancelled or converted to lease increased from 51 to 57 and 30,000 copies of sketches were prepared and mailed showing an increase of approximately 6,000 over last year's total.

During the year 1,407 applications for licenses to drill wells were recommended to the Department by the Petroleum and Natural Gas Conservation Board, which is a decrease of 28 from the 1,435 applications dealt with in the previous year. The Division, upon receipt of each application, searches the ownership of the minerals in the spacing unit allotted to the well.

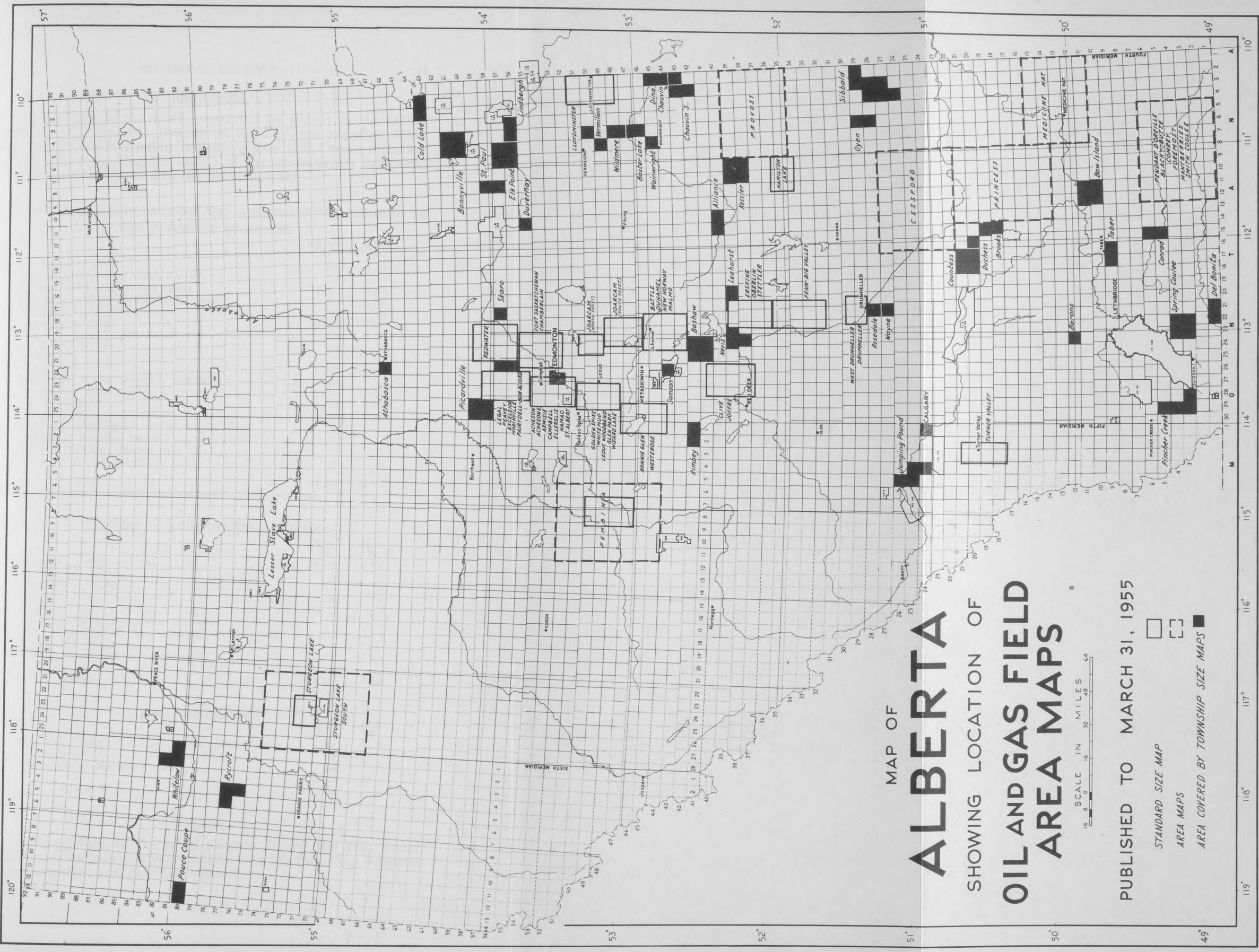
Land descriptions were prepared for 34 coal mining and road allowance leases, 3,074 petroleum and natural gas leases, 328 petroleum and natural gas reservations, 56 Crown reserve drilling reservations, 182 natural gas leases, 8 natural gas licenses, 14 Crown reserve natural gas licenses, 11 quarrying leases, 3 notifications and 4 iron prospecting permits as well as descriptions for recommendations to council, making a total of over 3,700 which is a decrease of 2,700 in comparison to the previous year.

In addition to the 30,000 copies of petroleum and natural gas reservation sketches which were reproduced on the multi-graph duplicator machine, there were 1,167 masters typed from which 394,111 copies were reproduced, representing a decrease of 103 masters and an increase of 35,311 copies over the previous year.

The map of Alberta showing the areas covered by all petroleum and natural gas reservations to March 31, 1954, has been revised to indicate the area of reservations issued during the present year and is included in this report.

The photostat and ozalid print requirements of the Department continued, as in past years, to be efficiently supplied by the Technical Division, Department of Lands and Forests.

The plan attached to each of the 90 applications for quartz claims and 143 placer claims was examined and, when satisfactory, plotted in the departmental township record and, if in the district north of Lake Athabasca and east of Slave River, on the tracing of the small scale map of the area.



MAP OF
ALBERTA
SHOWING LOCATION OF
**OIL AND GAS FIELD
AREA MAPS**

SCALE IN MILES
0 16 32 48 64

PUBLISHED TO MARCH 31, 1955

- STANDARD SIZE MAP
- AREA MAPS
- AREA COVERED BY TOWNSHIP SIZE MAPS

RECORDS

In addition to the work completed as shown in the tables hereunder, the Records Branch of the Division supplied 5,332 township plots to the public indicating available Crown minerals and also plots showing the status of Crown minerals compared to 6,000 plots distributed in the previous year.

*DISPOSITIONS, CANCELLATIONS AND ASSIGNMENTS RECORDED IN
THE TOWNSHIP REGISTERS

	1953- 54	1954- 55
Coal Mining Leases	141	79
Road Allowance Coal Mining Leases	18	15
Petroleum and Natural Gas Leases	9,612	6,772
Petroleum and Natural Gas Reservations	474	436
Natural Gas Licenses	43	30
Natural Gas Leases	35	221
Crown Reserve Natural Gas Licenses	9	27
Quarrying Leases	15	16
Notifications	4	3
Assignments	6,719	4,443
Bituminous Sands Prospecting Permits	15	13
Bituminous Sands Licenses .....	.....	1
Quartz Claims	1,685	423
Placer Claims	27	245
Special Mineral Leases	1	.....
Sulphur Prospecting Permit	1	.....
Permits to Collect Bitumen	1	1
Iron Prospecting Permits	1	7
TOTAL	18,801	12,732

*Includes issued, reinstated, divided, renewed and certificates of work.

NUMBER OF AGREEMENTS ASSIGNED

	1953- 54	1954- 55
Petroleum and Natural Gas	6,663	4,376
Natural Gas Licenses	2	1
Natural Gas Leases	2	27
Coal	48	32
Quarrying .....	.....	5
Permit to Operate Geophysical Equipment	1	.....
Renewal of Permit to Operate Geophysical Equipment	2	1
Geophysical License	1	.....
Bituminous Sands Prospecting Permit .....	.....	1
TOTAL	6,719	4,443

DOCUMENTS FILED

	1953- 54	1954- 55
Mechanic's Liens	34	8
Lis Pendens	2	.....
Discharges of Mechanic's Liens	28	13
TOTAL	64	21

FILING

A comparison of the filing activity during the year under review and the previous year is shown on the following schedule of files cancelled and new files opened:

FILES CANCELLED AND NEW FILES OPENED

	Opened 1953-54	Cancelled 1953-54	Opened 1954-55	Cancelled 1954-55
Leases, Reservations, Permits, etc.	6,725	4,124	3,853	4,861
Company	179	.....	187	.....
Coal Royalty	24	.....	19	5
General	166	.....	233	.....
Alienated	20	.....	14	.....
Well Deposits	43	.....	17	377
Unit	1	.....	1	.....
Structure Tests	10	.....	2	.....
Water Wells	7	.....	13	.....
Petroleum and Natural Gas Royalty	501	12	627	127
Unearned Increment Tax	40	37	7	24
Battery	41	27	62	4
Group	5	1	7	1
Mining Land Oil Purchase	3	3	.....	2
Geophysical Licenses	134	1	175	1
Geophysical License Deposits	13	.....	6	.....
Permits to Operate Geophysical Equipment	17	31	23	23
Schemes .....	.....	.....	21	.....
TOTAL	7,929	4,236	5,267	5,425

NOTIFICATIONS FOR ISSUE OF CERTIFICATES
OF TITLE

Three notifications were issued all of which completed exchanges of minerals with freehold owners. Two of the notifications granted all mines and minerals other than gold and silver and one notification granted all minerals other than gold, silver, coal and petroleum.

During the six years of the operation of the Department, forty-eight notifications for minerals have been issued.

REVESTED MINERALS

During the year the Minister of Mines and Minerals received title to minerals in forty-four parcels, three being through exchange of minerals, four through voluntary transfers and twenty-four through non-payment of mineral tax. In addition minerals underlying thirteen parcels were received due to the separation of surface and mineral titles in the name of the Minister of Lands and Mines.

SCHEDULE OF REVESTED MINERALS

April 1, 1954 to March 31, 1955

	Petroleum Acres	Natural Gas Acres	Coal Acres	Other Minerals Acres	Acreage contained in Titles
Voluntary Transfer as on					
March 31, 1954	23,368.31	79,116.25	709,262.35	91,687.65	787,664.14
From April 1, 1954 to					
March 31, 1955 .....	.....	279.95	.....	279.95	279.95
	<u>23,368.31</u>	<u>79,396.20</u>	<u>709,262.35</u>	<u>91,967.60</u>	<u>787,944.09</u>
Non-Payment of Mineral					
Tax as on March 31,					
1954	91,249.945	312,072.805	45,707.815	335,595.655	499,300.945
From April 1, 1954 to					
March 31, 1955	159.00	4,219.46	.....	4,302.96	4,302.96
	<u>91,408.945</u>	<u>316,292.265</u>	<u>45,707.815</u>	<u>339,898.615</u>	<u>503,603.905</u>
Revested other than Vol-					
untary Transfer and					
Non-Payment of Min-					
eral Tax as on March					
31, 1954	205,704.71	218,429.05	132,240.12	219,884.22	68,187.53
From April 1, 1954 to					
March 31, 1955	7,344.76	7,984.76	7,392.26	7,392.26	7,984.76
	<u>213,049.47</u>	<u>226,413.81</u>	<u>139,632.38</u>	<u>227,276.48</u>	<u>76,172.29</u>
Total as on March 31,					
1954	320,322.965	609,618.105	887,210.285	647,167.525	1,355,152.615
Increase	7,503.76	12,484.17	7,392.26	11,975.17	12,567.67
Total as on March 31,					
1955	<u>327,826.725</u>	<u>622,102.275</u>	<u>894,602.545</u>	<u>659,142.695</u>	<u>1,367,720.285</u>

Mineral Tax Division

Report of the Chief Assessor

E. F. Gilker

The assessed value of producing areas for the calendar year 1954 shows an increase in value over the year 1953 due to eight new areas brought under assessment and the principal mineral and the assessed value for 1954 follow:

Producing Area	Parcels Assessed	Principal Mineral	Assessed Value
Cessford	1	Petroleum	\$ 159,634.21
Clive	5	Petroleum	641,893.07
Erskine	5	Petroleum	100,414.44
Fairydell	6	Petroleum	366,768.59
Joffre	2	Petroleum	317,907.55
Lindbergh	3	Natural Gas	18,981.25
Peavey	1	Petroleum	156,845.29
Westerose	6	Petroleum	3,596,745.98

Other producing areas of the Province designated by Ministerial Order and assessed in previous years were again included in the assessment roll for the year 1954 and these are also enumerated:

Producing Area	Parcels Assessed	Principal Mineral	Assessed Value
Acheson	23	Petroleum	\$ 5,319,238.07
Armena-Camrose	55	Petroleum	8,778,880.40
Armistie	7	Petroleum	319,737.03
Bashaw	2	Petroleum	110,789.18
Baxter Lake	3	Petroleum	40,956.65
Big Valley-Fenn	26	Petroleum	9,749,356.73
Black Butte	1	Natural Gas	97,545.24
Bon Accord	5	Petroleum	333,357.89
Bonnie Glenn	14	Petroleum	15,920,925.74
Campbell	7	Petroleum	69,710.60
Chamberlain	4	Petroleum	81,111.87
Chauvin	4	Petroleum	177,789.30
Conrad	1	Petroleum	8,988.21
Duhamel	3	Petroleum	356,741.28
Ellerslie	8	Petroleum	152,799.96
Excelsior	5	Petroleum	1,514,418.42
Glen Park	3	Petroleum	157,543.69
Joseph Lake	13	Petroleum	2,377,239.63
Jumping Pound	56	Natural Gas	588,480.93
Leduc-Woodbend	315	Petroleum	41,212,455.16
Legal	2	Petroleum	105,792.62
Lloydminster	29	Petroleum	908,286.32
Malmo	7	Petroleum	823,014.20
Medicine Hat-Redcliffe	112	Natural Gas	398,218.77
Morinville	57	Natural Gas	78,390.01
Namoo	7	Petroleum	353,150.30
New Norway	2	Petroleum	537,485.01
Redwater	17	Petroleum	12,136,224.94
South Camrose	8	Petroleum	282,998.27
Stettler	10	Petroleum	759,104.72
Taber	1	Petroleum	40.00
Turner Valley	65	Petroleum and Natural Gas	7,500,728.33
Viking-Kinsella	346	Natural Gas	1,519,890.19
Whitemud	1	Petroleum	30,387.84
Wizard Lake	6	Petroleum	7,565,185.69
Cascade	20	Coal	70,098.38
Crowsnest-Pincher	281	Coal	341,566.13
Lethbridge	117	Coal	69,711.39

Provision is also made under The Mineral Taxation Act for the assessment of any quarter section, river lot or other parcel on which a mine or well is located or that is situate within five-eighths of a mile of a mine or well. The assessment of these areas involved 561 parcels and the principal minerals assessed were petroleum, natural gas and coal with an assessed value of \$2,341,694.29.

Under the heading of parcels assessed are the number of items appearing on the assessment roll and each parcel relates to the area contained in a certificate of title. In determining the assessed value of a parcel each spacing unit on which a well has been brought into production is calculated separately; consequently, several calculations may be made in arriving at the assessment for petroleum in a parcel containing minerals in a section of land.

The acreage tax of one and one-half cents an acre was continued in 1954 and the mill rate on the total assessed value of \$128,549,223.76 was again set at eight mills. This is an increase of \$36,546,745.25 over the total of \$92,002,478.51 for 1953.

The revenue derived from the taxation of minerals from the enactment of the statute in 1941 until March 31, 1949 collected by the Department of Lands and Mines was \$1,921,180.47 and revenue collected by the Department of Mines and Minerals from April 1, 1949 is shown in the following tabulation:

Year	Mill Rate	Producing	Per Acre	Acreage Tax	Fees	Total
1949-1950	8	\$ 452,838.16	1½¢	\$297,883.10	\$ 286.50	\$ 751,007.76
1950-1951	8	526,029.61	1½¢	307,185.71	511.00	833,092.22
1951-1952	8	444,293.91	1½¢	323,185.71	2,320.10	769,799.72
1952-1953	8	572,671.45	1½¢	310,285.08	3,204.00	886,160.53
1953-1954	8	717,352.55	1½¢	283,853.18	1,055.50	1,002,261.23
1954-1955	8	1,031,913.72	1½¢	277,842.24	1,467.00	1,311,222.96
						\$5,553,544.41

The arrears of acreage tax are being reduced in each year and as a consequence collections consist principally of current taxes which accounts for the reduction in the acreage tax revenue.

For a fee of fifty cents anyone may obtain a mineral tax certificate on a parcel showing the tax, if any, in arrears, and during the fiscal year 2,934 certificates were issued.

New legislation assented to April 8, 1954, amended The Mineral Taxation Act, 1947, and added one new section to the Act dealing with unit areas and a subsection relating to appeals by the Deputy Minister. The new section provides for a copy of any agreement to be filed with the Chief Assessor whereby unit areas are developed or terminated.

If the unit area is for the purpose of petroleum or natural gas the agreement shall be accompanied by a duplicate copy of the Order or Direction of the Petroleum and Natural Gas Conservation Board. The unit agreement must be filed before the 31st of March, in any year for the Direction of the Minister to authorize the assessment as a unit area.

In the appeals on assessment provision is made by legislation for the Deputy Minister to appeal to the Alberta Assessment Commission before the 31st of July, to vary the assessment roll where the minerals were assessed in the name of the wrong person as the owner and cause to be sent by mail to the other person

whose name should be placed on the assessment roll, a copy of the notice of appeal and a copy of the assessment notice.

The owner on receipt of the copy of the notice of appeal and the assessment notice may appeal to the Commission before the 31st of July, or within fifteen days from the date the notice is sent from the Deputy Minister if such notice is sent after the 15th of July.

On November 10, 1954, Mr. E. F. Gilker was appointed Superintendent of Mineral Tax being charged with the supervision of the Mineral Tax Division and on January 1, 1955, Mr. V. L. Scott was appointed Assistant Superintendent.

GEOPHYSICAL EXPLORATION

Licenses are issued to applicants who desire to undertake geophysical or subsurface geological exploration. A total of 184 licenses were issued from April 1st, 1954 to March 31st, 1955. These licenses expire on March 31st following the date of issue and may be renewed by the issue of a new license.

Before an operator can undertake geophysical exploration either by seismic, gravimetric, magnetic, electrical, geochemical, test drilling or any other method which may be used for the purpose of investigating the subsurface a permit to operate geophysical equipment must be obtained. A fee of twenty-five dollars is required for a geophysical license or permit. During the fiscal year 23 such permits were issued and 72 renewed.

The staff of this branch consists of five investigators, two clerks and one stenographer. Each investigator is allocated an area of the Province and he oversees operations of crews in his area. He also investigates complaints regarding operations that come to the attention of the Department endeavouring to assist the crew and other persons affected in arriving at a satisfactory settlement.

Accounting Division

*Report of the Administrative Accountant
and Personnel Officer*

W. E. Shillabeer

A surplus of \$81,784,637.88 on Income Account was shown for the fiscal year ending March 31st, 1955.

Net Revenue on Income Account amounted to \$82,753,076.53.

Gross Receipts from all sources amounted to \$87,097,552.61.

Expenditure on Income Account for the year amounted to \$968,438.65. Particulars of expenditure may be found in Statement "C".

As at March 31st, 1955 there were 29,092 Accounts Receivable as compared with 28,619 as at March 31st, 1954. The number of active accounts as at March 31st, 1955 is made up as follows:

	No. of Accounts
Petroleum and Natural Gas Leases, Rental	23,369
Petroleum and Natural Gas Leases, Royalty	1,021
Petroleum and Natural Gas Reservations	640
Petroleum and Natural Gas Drilling Reservations	55
Natural Gas Leases	182
Natural Gas Licenses	16
Crown Reserve Natural Gas Licenses	13
Coal Leases, Rental	663
Coal Leases, Royalty	157
Registration of Assignment Tax	327
Mineral Tax (Producing Area)	2,567
Mining Leases, (Miscellaneous)	82
	<hr/>
	29,092

There were 4,099 accounts cancelled, closed, transferred or paid in full and 4,572 accounts opened.

INDEX TO STATEMENTS

- A—Statement of Receipts from all sources
- B—Statement of Receipts—Income Account
- C—Statement of Expenditure by Appropriation and Character
- D—Statement of Net Receipts by Divisions
- E—Statement of Receipts—School Minerals
- F—Statement of Receipts and Expenditure

G—Statement of Provincial Minerals Revenue by Fiscal Years received by the Province for the period April 1st, 1949 to March 31st, 1955.

H—Statement of School Minerals Revenue by Fiscal Years received by the Province for the period April 1st, 1949 to March 31st, 1955.

Statement A

STATEMENT OF RECEIPTS FROM ALL SOURCES

From April 1st, 1954 to March 31st, 1955

	Gross Receipts	Refunds	Net Receipts
Income Account	82,813,193.86	60,117.33	82,753,076.53
Capital Account	1,010.66	.....	1,010.66
Reimbursement of Previous Year's Expenditure	7.40	.....	7.40
Suspense (Unapplied receipts carried forward, subject to refund)	4,283,340.69	4,097,301.01	186,039.68
	<u>\$87,097,552.61</u>	<u>\$4,157,418.34</u>	<u>\$82,940,134.27</u>

Statement B

STATEMENT OF RECEIPTS INCOME ACCOUNT

From April 1st, 1954 to March 31st, 1955

INCOME ACCOUNT:

	Gross Receipts	Refunds	Net Revenue
PROVINCIAL MINERALS:			
Coal Fees, Rentals, etc.	53,921.78	3,987.94	49,933.84
Coal Royalty	216,147.06	.....	216,147.06
Coal Mines Act Sundry Revenue ...	3,068.65	.75	3,067.90
Petroleum and Natural Gas Fees, Rentals, etc.	19,082,579.01	24,977.45	19,058,501.56
Petroleum and Natural Gas Royalty	18,535,355.85	15,524.76	18,519,831.09
Crown Reserve Sales	38,954,155.80	.....	38,954,155.80
Mining Miscellaneous	206,777.22	3,809.94	202,967.28
SCHOOL MINERALS:			
Coal Fees, Rentals, etc.	2,340.17	240.67	2,099.50
Coal Royalty	14,759.80	.....	14,759.80
Petroleum and Natural Gas Fees, Rentals, etc.	1,602,425.26	5,299.63	1,597,125.63
Petroleum and Natural Gas Royalty	1,700,162.92	5,414.90	1,694,748.02
Crown Reserve Sales	1,059,164.00	.....	1,059,164.00
Mining Miscellaneous	973.81	.....	973.81
MINERAL TAXATION ACT:			
Mineral Tax	1,311,921.75	689.29	1,311,232.46
MISCELLANEOUS (Casual)	69,440.78	172.00	69,268.78
TOTAL INCOME ACCOUNT			
(Carried to Statement A)	<u>\$82,813,193.86</u>	<u>\$ 60,117.33</u>	<u>\$82,753,076.53</u>

STATE OF NEW YORK
IN SENATE
January 12, 1905.
REPORT
OF THE
COMMISSIONER OF THE LAND OFFICE
IN RESPONSE TO A RESOLUTION
PASSED BY THE SENATE
MAY 12, 1904.
ALBANY:
J. B. LEECH, STATE PRINTER.
1905.

ALBANY, N. Y., JANUARY 12, 1905.

SIR:

I have the honor to acknowledge the receipt of your letter of the 10th inst., and in reply to inform you that the same has been forwarded to the proper authorities for their consideration.

I am, Sir, very respectfully,
Your obedient servant,
J. B. LEECH,
COMMISSIONER OF THE LAND OFFICE.

EXPENDITURE CLASSIFIED BY APPROPRIATIONS AND CHARACTER
FOR THE YEAR ENDED MARCH 31st, 1955
INCOME ACCOUNT

SERVICE	2002 Deputy Minister's Office	2003 Accounts Division	2005 Geological Division	2006 Mines Division	2007 Mineral Rights Division	2008 Mineral Tax Division	2009 Petroleum & Natural Gas Cons. Board	2010 Technical Division	2011 Postage	2012 Printing, Stationery and Office Supplies	2013 Administration Gas Resources Preservation Act	2014 Right of Entry Arbitration Board	2015 Supervisory and Safety Training Programme	Special Warrant No. 9	Special Warrant No. 26	Total
Advertising	\$.....	\$.....	\$.....	\$.....	\$16,909.91	\$.....	\$.....	\$.....	\$.....	\$.....	\$ 20.72	\$.....	\$.....	\$.....	\$.....	16,930.63
Automobiles	314.77	28.95	.....	95.92	10.76	3,522.19	.....	.....	.....	.....	.....	3,616.14	.....	.....	.....	7,138.33
Books and Bindings	113.17	345.62	.....	1,115.24	935.11	272.71	.....	913.16	.....	.....	.....	27.34	.....	.....	.....	477.74
Equipment .....	.....	.....	.....	835.30	.....	.....	.....	.....	.....	.....	.....	350.03	.....	.....	.....	4,045.04
Examinations .....	.....	.....	.....	24.39	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	835.30
Freight, Express and Cartage .....	.....	132.88	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	157.27
Grants .....	.....	.....	.....	.....	.....	30,459.75	.....	.....	.....	.....	.....	.....	10,000.00	.....	.....	40,459.75
Legal Fees and Expenses .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,270.00	.....	.....	.....	.....	1,270.00
Miscellaneous Supplies and Expenses	324.42	30.68	.....	127.37	140.95	183.92	324,487.77	9,497.46	.....	.....	316.78	106.24	.....	574.15	228.00	336,017.74
Newspapers and Periodicals	209.93	4.00	.....	16.33	31.39	6.00	.....	.....	.....	.....	.....	34.50	.....	.....	.....	302.15
Postage .....	.....	.....	.....	131.81	.....	.....	.....	.....	8,358.85	.....	.....	487.98	.....	.....	.....	8,978.64
Printing and Stationery .....	.....	.....	.....	5,991.53	.....	.....	.....	.....	.....	17,794.27	.....	677.76	.....	.....	.....	24,463.56
Rates, Rentals and Insurance .....	.....	.....	.....	93.86	.....	429.57	.....	435.00	.....	.....	.....	259.99	.....	.....	.....	1,218.42
Repairs and Replacements	165.79	577.30	.....	203.16	656.46	2,107.85	.....	276.97	.....	.....	.....	1,069.74	.....	.....	.....	5,087.27
Salaries	29,815.89	59,068.84	1,982.88	57,089.87	126,065.78	74,165.06	.....	98,544.13	.....	.....	.....	40,225.78	.....	.....	.....	486,958.23
Special Services	6.40	.....	.....	67.25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	73.65
Telegrams and Telephones	687.81	79.08	.....	350.38	1,793.83	1,838.98	94.60	416.60	.....	.....	.....	452.04	.....	.....	.....	5,713.32
Travelling Expenses	1,656.25	228.85	.....	8,039.28	1,263.75	13,619.62	14.00	739.40	.....	.....	59.05	2,691.41	.....	.....	.....	28,311.61
TOTALS: Income Account	33,294.43	60,496.20	1,982.88	74,181.69	147,807.94	126,605.65	324,596.37	110,822.72	8,358.85	17,794.27	1,666.55	50,028.95	10,000.00	574.15	228.00	968,438.65

CAPITAL ACCOUNT

Service	2080 Abandonment of Mining Properties	Total
Contract Labour	78,463.58	78,463.58
TOTAL: Capital Account	78,463.58	78,463.58

ACCOUNTING DIVISION

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Statement D

STATEMENT OF NET RECEIPTS BY DIVISIONS

For Fiscal Year Ending March 31st, 1955

INCOME ACCOUNT

Mineral Rights Division	\$81,369,507.39
Mineral Taxation Division	1,311,232.46
Mines Division	3,067.90
Miscellaneous (Administration Sundry Revenue, Reimbursement etc.).....	69,268.78
CAPITAL ACCOUNT:	1,010.66
TRANSFERRED TO OTHER DEPARTMENTS:	7.40
SUSPENSE (Unapplied receipts carried forward, subject to refund).....	186,039.68
	<u>\$82,940,134.27</u>

Statement E

STATEMENT OF RECEIPTS—SCHOOL MINERALS

From April 1st, 1954 to March 31st, 1955

INCOME ACCOUNT:

	Receipts	Refunds	Net Revenue
Coal Fees, Rentals, etc.	2,340.17	240.67	2,099.50
Coal Royalty	14,759.80	.....	14,759.80
Petroleum and Natural Gas Fees, Rentals, etc.	1,602,425.26	5,299.63	1,597,125.63
Petroleum and Natural Gas Royalty	1,700,162.92	5,414.90	1,694,748.02
Crown Reserve Sales	1,059,164.00	.....	1,059,164.00
Mining Miscellaneous	973.81	.....	973.81
	<u>\$ 4,379,825.96</u>	<u>\$ 10,955.20</u>	<u>\$ 4,368,870.76</u>

Statement F

STATEMENT OF RECEIPTS AND EXPENDITURE

For Fiscal Year Ending March 31st, 1955

Gross Receipts	Refunds	Net Receipts	Net Revenue on Income Account	Total Expenditure From Appropriations	Surplus on Income Acct.
\$87,097,552.61	\$4,157,418.34	\$82,940,134.27	\$82,753,076.53	\$968,438.65	\$81,784,637.88

Statement G

STATEMENT OF PROVINCIAL MINERALS REVENUE BY FISCAL YEARS RECEIVED
BY THE PROVINCE FOR THE PERIOD APRIL 1st, 1949 to MARCH 31st, 1955

	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	Total
COAL							
Fees and Rentals	185,412.49	174,035.27	211,582.89	170,286.62	142,278.66	49,933.84	933,529.77
Royalty	600,493.96	577,667.84	394,441.24	354,123.99	268,694.28	216,147.06	2,411,568.37
Sundry Revenue	6,183.50	5,335.30	5,209.45	4,526.05	3,902.20	3,067.90	28,224.40
PETROLEUM AND							
NATURAL GAS							
Fees and Rentals	5,741,111.95	9,034,896.06	14,134,672.25	18,236,470.24	23,096,649.12	19,057,601.56	89,301,401.18
Royalty	3,368,918.86	4,760,569.46	10,062,772.17	12,353,945.64	17,048,688.02	18,519,831.09	66,114,725.24
Crown Reserve Sales	23,180,998.77	28,008,052.42	12,517,931.33	19,659,005.63	49,590,009.60	38,954,155.80	171,910,153.55
SALT							
Fees and Rentals	564.00	3,129.00	1,005.60	1,005.60	1,005.60	1,005.60	7,715.40
Royalty	2,024.92	9,230.96	4,895.32	6,806.71	7,063.37	7,978.06	37,999.34
QUARRYING							
Fees and Rentals	1,019.31	1,176.72	291.28	227.23	325.01	185.52	3,225.07
Royalty	29,939.08	36,486.29	27,908.36	29,309.75	38,798.28	41,181.51	203,623.27
QUARTZ							
Fees and Royalty	377.56	630.00	853.47	3,826.17	15,750.92	3,283.19	24,721.31
PLACER							
Fees and Royalty .....	.....	325.08	42.79	30.00	30.00	1,510.00	1,937.87
BITUMINOUS SANDS							
Fees, Rentals and Royalty ...	13,350.28	7,173.20	7,173.20	52,480.95	62,994.50	42,543.76	185,715.89
MINING MISCELLANEOUS							
Fees, Rentals and Royalty ...	218,265.08	126,786.20	299,699.45	223,672.12	191,953.44	105,279.64	1,165,655.93
MINERAL TAX							
Assessing Tax	297,883.10	307,062.62	323,185.71	310,285.08	283,853.18	277,842.74	1,800,112.43
Producing Area Tax	452,838.16	526,029.61	444,293.91	572,671.45	717,352.55	1,031,922.72	3,745,108.40
Certificate Fees	286.50	511.00	2,320.10	3,204.00	1,055.50	1,467.00	8,844.10
ADMINISTRATION							
SUNDRY REVENUE	21,915.60	34,734.13	61,946.42	83,735.45	90,413.82	69,268.78	362,014.20
TOTAL	\$34,121,583.12	\$43,613,831.16	\$38,500,224.94	\$52,065,612.68	\$91,560,818.05	\$78,384,205.77	\$338,246,275.72

STATEMENT H

STATEMENT OF SCHOOL MINERALS REVENUE BY FISCAL YEARS RECEIVED BY
THE PROVINCE FOR THE PERIOD APRIL 1st, 1949 TO MARCH 31st, 1955

	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	Total
COAL							
Fees and Rentals	6,313.28	6,965.91	3,761.05	5,888.62	6,474.45	2,099.50	31,502.81
Royalty	51,074.51	45,643.83	42,969.61	25,368.52	17,874.97	14,759.80	197,691.24
PETROLEUM AND NATURAL GAS							
Fees and Rentals	514,065.59	744,745.23	1,245,877.55	1,445,874.57	1,501,344.38	1,597,125.63	7,049,032.95
Royalty	242,199.47	429,423.19	975,317.20	1,157,006.02	1,516,438.34	1,694,748.02	6,015,132.24
Crown Reserve Sales	50,449.43	1,072,579.97	693,357.64	3,868,438.03	3,646,107.46	1,059,164.00	10,390,096.53
BITUMINOUS SANDS							
Fees, Rentals and Royalty....	1,845.00	565.00	565.00	892.05	932.10	623.20	5,422.35
MINING MISCELLANEOUS							
Fees, Rentals and Royalty....	.....	3,896.01	3,768.15	1,008.00	23.00	350.61	9,045.77
TOTAL	<u>\$ 865,947.28</u>	<u>\$ 2,303,819.14</u>	<u>\$ 2,965,616.20</u>	<u>\$ 6,504,475.81</u>	<u>\$ 6,689,194.70</u>	<u>\$ 4,368,870.76</u>	<u>\$ 23,697,923.89</u>

PERSONNEL

The number of employees in the Department showed a decrease of 2 from 168 as at April 1st, 1954 to 166 at March 31st, 1955.

During the same period 35 employees left the Department, of these 10 left to accept employment outside the government service, 2 transferred to other departments, 1 retired, 3 were dismissed and the remainder left for various other reasons.

The Right of Entry Arbitration Act

Board of Arbitration

N. G. Meldrum, Chairman

The Right of Entry Arbitration Act requires the Board to submit to the Minister in the month of January in each year a report covering operations of the Board during the preceding year, and the information which follows is taken from the report of the Board to the Minister for the calendar year 1954.

There were no changes in the constitution of or any vacancies on the Board in 1954. The Board consists of three members, the maximum permitted by the Act, Mr. N. G. Meldrum, chairman, appointed in 1947, and Messrs. P. J. Skrypnik and T. E. Stickney, members, appointed in September, 1952, and February, 1953, respectively.

There were several amendments to The Right of Entry Arbitration Act, 1952, in 1954. One of the more important ones empowers the Board to grant right of entry for the drilling and operating of a well for conservation purposes, that is, for the repressuring, recycling or pressure maintenance in a petroleum or natural gas field or pool, or the storage or disposal of natural gas or the storage and disposal of water produced from or to be injected in a petroleum or natural gas field or pool. This amendment provides that an application for such right of entry shall be accompanied by a written approval of the Petroleum and Natural Gas Conservation Board to the scheme for which the well is to be drilled, and by a statement from the Petroleum and Natural Gas Conservation Board that a well for the purposes of the scheme is essential to implement desirable conservation or production practices. Another amendment empowers the Board to make advances to surface owners on account of compensation to be ultimately awarded. The remaining amendments are of a minor nature and merely alter the wording of certain sections of the Act for the purposes of clarification.

The year 1954 differed considerably from the previous year as it concerned the operations of the Board. Because of the rapid development of the Pembina oil field, the number of applications received in 1954 exceeded the previous high reached in 1953 by 74%, but on the other hand, the number of applications disposed of decreased by 17%. The chief reason for the latter was the unusually wet season experienced in 1954, which not only hampered the Board in carrying out inspections, but resulted in a nearly complete shutting down of drilling operations in the Pembina field for a matter of months. Fortunately in this respect a great bulk of applications in the Pembina field concerns lands owned by the Crown, and very many wells for which right of entry has been granted are not drilled yet. The Board concentrated on the applications which involved privately owned lands in areas where it was possible to conduct inspections.

The total number of applications received for right of entry in 1954 was 960 of which 529 were in the Pembina field. The following table of applications received, disposed of and outstanding, and the number of orders issued in each year from 1947 to 1954 inclusive shows a steady increase in the work by the Board from year to year.

Year	No. of Applications Received	No. of Applications Disposed of	No. of Applications Outstanding	No. of Orders Issued
1947	84	16	68	50
1948	114	107	75	155
1949	236	205	106	332
1950	450	266	290	585
1951	429	338	381	656
1952	488	388	481	775
1953	609	687	403	1,116
1954	1,060	571	892	1,377

In 1954 the Board's awards to owners of surface rights for lands required for mineral development amount to \$178,040.94 for the first year and \$59,782.41 for each year thereafter. The total awards made by the Board since its inception in 1947 amount to \$939,316.45 for the first year and \$291,896.96 for each year thereafter.

Analysis of the awards made by the Board reveals the following averages for petroleum and natural gas locations on privately owned lands.

Field	Areas Taken (Acres)	Compensation for 1st year	Compensation for each subsequent year
Leduc-Woodbend	5.49	\$1,385.65	\$437.22
Redwater	3.95	1,131.88	399.87
Joseph Lake	3.82	915.68	305.90
Wizard Lake, Bonnie Glen	3.82	1,371.30	415.40
Armena-Camrose	3.92	1,123.23	385.70
Duhamel, New Norway Malmo	4.11	1,002.25	363.76
Stettler, Erskine, Big Valley	5.06	1,199.31	400.95
Drumheller, West Drumheller	4.03	1,322.34	439.21
Lloydminster, Wainwright ..	2.36	587.91	244.87
Pembina	6.11	1,009.52	356.07

There has not been a sufficient number of awards in other fields to indicate an average.